

The Mediating Effect Of Job Satisfaction And Organizational Commitment On Employee Turnover

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Employee's turnover;
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Abstract

This study aims to examine and analyse the mediating effect of job satisfaction and organizational commitment between link talent management on employee turnover in PT Kalimantan Sawit Kusuma Pontianak. This study focuses on human resource management with participants of this study were all 105 permanent employees. This study utilized census technique sampling because the total permanent employee only 105 employees. This research used a quantitative approach to test the hypotheses and explain the impact among variables. This study used path analysis to examine the role of mediation and the data were analysed using SPSS 24. Classical assumptions have been tested, to fulfil the requirements for the use of path analysis. The results of this study show that job satisfaction and organizational commitment have a significant mediating role in influencing the relationship between talent management and employee turnover. In addition, talent management, job satisfaction and commitment have a significant and negative influence on employee turnover.

Kata Kunci:

Kepuasan kerja;
Komitmen
Organisasi; Talenta
Manajemen;
Perputaran
karyawan

Abstract

Penelitian ini bertujuan untuk menguji dan menganalisis pengaruh mediasi kepuasan kerja dan komitmen organisasi antara hubungan manajemen talenta terhadap perputaran karyawan di PT Kalimantan Sawit Kusuma Pontianak. Penelitian ini berfokus pada manajemen sumber daya manusia dengan partisipan penelitian ini adalah seluruh karyawan tetap yang berjumlah 105 orang. Teknik sampling sensus digunakan karena jumlah karyawan tetap berjumlah 105 orang. Penelitian ini menggunakan pendekatan kuantitatif untuk menguji hipotesis dan menjelaskan dampak antar variabel. Penelitian ini menggunakan analisis jalur untuk menguji peran mediasi dan data dianalisis menggunakan SPSS 24. Asumsi klasik diuji, untuk memenuhi persyaratan penggunaan analisis jalur. Hasil dari penelitian ini menunjukkan bahwa kepuasan kerja dan komitmen organisasi memiliki peran mediasi yang signifikan dalam mempengaruhi hubungan antara manajemen talenta. Namun talenta management, kepuasan kerja dan komitmen memiliki pengaruh yang signifikan dan negatif terhadap perputaran karyawan.

INTRODUCTION

In organizations, employees are one of the most important elements in an organization (Teece, 2019). Employees are one of the drivers and determinants of achieving organization success. Competency of employees are always attached to every company as one of the determining factors and play an important role in contributing towards achieving company goals effectively and efficiently. Realizing this, the company needs to increase the employee's performance (Hidayat, 2018). Therefore, companies must be able to manage and pay attention to their employees as well as employees' commitment to remain in the organization.

Indonesia becomes the third largest employee turnover with a percentage of 25.8% compared to Brazil (24.4%), US (21.8%), China (21.3%), and UK (14.6%) (KataData, 2022). This indicated that Indonesia is facing a serious problem with high rate of employee turnover. For example, employees of PT Kalimantan Sawit Kusuma Pontianak which has high turnover from 2018 to 2022. It can also be seen that the number of increasing employees of this company over the last 5 years was 1,116 people and those who left amounted to 893 people. Therefore, it can be concluded that the increase in the number of recruiting employees also affects the increase in the number of employees who quit significantly.

Previous studies (Tampubolon & Sagala, 2020; Sabbatho, 2020) stated that talent management, job satisfaction and organizational commitment are important factors to reduce employee dissatisfaction and low performance. The research findings of Singh (2022) showed that job satisfaction and organizational commitment have an insignificant effect on employee turnover. However, the different finding of Alqudah (2022) indicated that job satisfaction and organizational commitment highly significant effect on employee turnover because the focus on employee organizational commitment can make a very strong contribution to reducing employee turnover. In addition, Amalia, (2020) stated that talent management has a positive influence on reducing employee turnover rates. On the contrary, Sabbatho, (2020) stated that talent management has a negative effect on employee turnover rates. There are inconsistency finding of previous studies that need further study. Moreover, no study investigates mediating effect of job satisfaction and commitment on palm oil sector in Pontianak. Therefore, this study offers Resource-Based View (RBV) to explain the mediating effect of this study. Therefore, this research will try to fill the gap, which is formulated into a research question: What is mediating effect of job satisfaction and commitment organization on employee's turnover?

This study aims to examine the mediating effect of job satisfaction and commitment between the link talent management and employee turnover. RBV is an important approach to overcome employee turnover in this study. In the extant literature, the resource-based view (RBV) offers a suitable theoretical perspective to address this trade-off (Singh, 2022). The RBV conceptualizes a firm as a pool of resources that provides a sustained advantage and delivers superior performance to the firm (Barney, 2001; Guesalaga et al, 2018). The discussion, findings and recommend future research agendas are provided in this study. This study highlights the important insights of RBV and the study's findings may spur further research in the domain.

According to the resource-based view (RBV), strategic human resource management experts argue that HR strategy has the potential and strategic position to generate corporate competitive advantage by creating unique and valuable employee-based resources (Collins,

2021). HR strategy research that focuses on creating HR policy systems through alternative philosophical approaches to managing employees. A study found that human and social capital are valuable employee-based resources that help explain how HCHR systems drive higher company performance, there are two main issues that prevent this study from addressing all the conditions underlying the RBV view approach (Gerhart, 2021). An organization must be able to find solutions in dealing with the weaknesses that the organization has in order to create a competitive advantage (Hitt et al. 2017). As such, organizations need to see where there are opportunities to make improvements to their people based on internal resources. Organizations can look for models to help identify gaps between talent management and reducing employee turnover (Donnellan & Rutledge, 2019).

METODOLOGY

This research uses a quantitative approach to determine whether there is a mediating influence the mediating effect job satisfaction and organizational commitment on the relationship between talent management and turnover intention. Primary data was collected 105 of permanent employees of PT Kalimantan Sawit Kusuma Pontianak. Census techniques sampling was adopting to collected the data as the permanent employees of PT Kalimantan Sawit Kusuma Pontianak are 105 workers. The questionnaire was distributed to respondents through HRD PT Kalimantan Sawit Kusuma Pontianak and interview to some participants in this study. The questionnaire used closed questionnaire where respondents will only answer the questions that have been given with a five-point scale (1= strongly disagree to 5= strongly agree). Path analysis was utilized the test data analysis using SPSS 24.

In this study, the data analysis technique used is the path analysis technique with testing validity and reliability, normality assumption, heteroscedasticity, autocorrelation, multicollinearity (Sugiono, 2020). The path analysis method or technique for analyzing research hypotheses to test the mediating influence of job satisfaction and commitment on the relationship between talent management and employee turnover. To measure talent management, nine items were adopted form Aljunaibi (2014) six items of job satisfaction adopted from Edison, (2018), seven items of employee commitment adopted from Edison, (2018) and employee turnover with seven items were adopted from (Robbins, 2001).

RESULTS AND DISCUSSION

Demographic Characteristics

Table 1 showed that male participants were dominant with 80% than female 20% in this investigation. Most of the respondents in this survey were 20 to 30 years old (52%), 31 to 40 years old (24%), 40 to 50 years old (19%), and 5% above 50 years old. The permanent employees in this study graduated from bachelor degree with 45%, 23% followed by senior high school graduates, 20% of Junior high school, 9.5% graduated from Primary school and 3% of master degree graduates. 32% of the participants of this study were single (61%), married (32%) and 7% were widow.

Table 1.
Demographic Characteristics

	n	%		n	%
<i>Gender</i>			<i>Education</i>		
Male	84	80.	Primary school	10	9.5
Female	21	20.	Senior High School	24	23
Total	105	100	Junior High School	21	20
<i>Age</i>			Bachelor degree	47	45
20-30 years old	55	52	Master Degree	3	3
31-40 years old	25	24	Total	100	100
41-50 years old	20	19	<i>Marital status</i>		
<50 years old	5	5	Married	34	32
Total	105	100	Single	64	61
			Widow	7	7
			Total	100	100.0

Validity and Reliability

The measurement model of a research is conducted by testing validity and reliability. According to Sugiono (2020) that validity is the degree of accuracy or feasibility of the instrument used to measure what will be measured and the extent to which the instrument carries out its measuring function. While reliability is defined by consistency when the test is tested many times the results are relatively the same, meaning that after the first test results with the next test are correlated which is significant. Based on the statistic finding, the validity and reliability of all research variables showed that all data items have an *r*-count > *r*-table value of 0.19 with a significant value <0.05 and a reliable value greater than 0.6. significant value <0.05 and the reliability value is greater than 0.6. Invalid data has been eliminated to obtain valid data results for further analysis. the next analysis. Moreover, the finding of the analysis was free form the normality assumption, heteroscedasticity, autocorrelation, multicollinearity.

Path analysis

The results of the path analysis model tabulated in Table 2 reveal that the causal relationship between TM and JS ($\beta=0.561$ and p -value=0.000), and the relationship between TM and EC ($\beta =0.565$ and p -value=0.000) was statistically significant. Meanwhile, the causal relationship between JS and ET ($\beta =-0.557$ and p -value=0.010) was negative and statistically significant effect, and the relationship between EM and ET ($\beta =-0.352$ and p -value=0.000) was negative and statistically significant impact. Similarly, the relationship between TM to ET ($\beta =-0.344$ This statistic findings of this study showed that job satisfaction ($\beta =-0.196$ and p -value=0.000); employee commitment ($\beta =-0.199$ and p -value=0.000) have a negative and significant on employee turnover.

Table 2.
Path analysis statistic results

Hypo	Coefficients	Nilai < 0.05	Standardized Coefficients Beta	Decision
H1a	Talent management -----> Job Satisfaction	0.000	0.569	Supported
H1b	Talent management -----> Employee commitment	0.000	0.565	Supported
H1c	Talent management -----> Employee turnover	0.047	-0.344	Supported
H2	Job Satisfaction -----> Employee turnover	0.010	-0.557	Supported
H3	Employee commitment -----> Employee turnover	0.000	-0.352	Supported
<i>Mediating effects</i>				
H4a	Talent management -----> Job Satisfaction -----> Employee turnover	0.000	0.569X(-0.344) = -0.196	Supported
H4b	Talent management -----> Employee commitment -----> Employee turnover	0.000	0.565X(-0.352) = - 0.199	Supported

Source: Author compilation, 2023

DISCUSSION

An initial objective of the project was to identify the influence of mediating effect job satisfaction and employee commitment between link talent management and employee turnover. This study applied RBV to explain the employee behavior in this study. This study found that talent management has a significant impact on job satisfaction (H1a). This finding was also reported by Loan et al, (2020) which stated that job satisfaction is important element to create worker's positive affection for work situations. RBV explains that talent management and job satisfaction is a person's attitude and capability toward his work that reflects pleasant and unpleasant experiences in his work and his expectations of future experiences. It is also proven that talent management has a positive and significant effect on employee commitment (H1b). This finding broadly supports the work of other studies in this area linking talent management with employee commitment. Alqudah et al. (2022) illustrated that employees who have high commitment will gain their performance and credibility on work and their job performance to decrease the turnover intention. Moreover, this study showed there was a negative relationship between talent management on employee turnover (H1c). This finding argued that an employee has high talent management and capability, they will be able to achieve a better job satisfaction and commitment.

This study found that job satisfaction and employee commitment have a negative and significant relationship with employee turnover (H2 and H3). meaning that the better job satisfaction and employee commitment, the level of employee turnover will decrease. This finding is consistent with Mawardi, (2021) which states that the implementation of employee commitment must be the totality of exploration in providing performance in every work activity carried out by employees by continuing to pay attention to and develop their talent management. as a potential, employees can show their satisfaction in carrying out their main duties and functions through a decreased employee turnover rate. Instilling a strong commitment to each employee in facing work challenges so that they are happy, feel, think, emotionally bound, worried, have a sense of belonging, few choices, alternatives, sacrifices, loyal, obligations, loyal, work, one organization, wise, can feel comfortable in improving better performance (Hendri, 2019). Therefore, every employee is required to always develop their talent management in the form of knowledge, skills, mastery, work experience and professionalism at work.

The finding of this study also revealed that the mediating effect of job satisfaction and employee commitment play crucial effect on employee turnover intention (H4a, H4b). The results agree with those obtained by Alqudah et al, (2022) indicated that employees with job satisfaction and high commitment enable the organization to gain the profit and reduce turnover intention. Moreover, Jawaad et al., (2019) claimed that job satisfaction and commitment are two essential factors to decrease the number of turnover intentions. RBV also provide a better understanding positive employees' behavior can improve their work performance and even achieved competitive environment in a company.

CONCLUSION

The purpose of this study is to determine the mediating effect of job satisfaction and commitment between the link talent management in PT Kalimantan Sawit Kusuma Pontianak. The finding of this study has succeed explore the role of mediating effect of job satisfaction and

commitment. This indicates that the higher the job satisfaction and organizational commitment that exist in the employees at PT Kalimantan Sawit Kusuma Pontianak, the level of employee turnover will also decrease. The mediating role of employee satisfaction and organizational commitment have a partial mediating impact in this research model, then the mediating role of employee satisfaction and organizational commitment on the relationship between talent management and employee turnover at PT Kalimantan Sawit Kusuma Pontianak. RBV emphasizes the strategic role of HRM, and the contribution of HRM systems to corporate policies. Under RBV, companies must be able to see and create value for the company and contribute to performance in the long term. It is very important for every company PT Kalimantan Sawit Kusuma Pontianak to develop organizational schemes and tools, which will exploit, support, and replenish job satisfaction and commitment that are declining. In this case job satisfaction and commitment are of high value, organizational support through an integrated system is very important, between company policy and company operations.

As to the practical contributions provided by this study, it should be noted that manager at PT Kalimantan Sawit Kusuma Pontianak should be able to improve employee's commitment toward organization effectively. It is important to understand that the role of job satisfaction plays importance business success to gain a better performance and decrease turnover rate. Once manager recognizes the value of job satisfaction and commitment as crucial resource, manager will take a leading role in development of management. Thus, manager will be able to reconfigure management performance and a better output that will allow employees work and respond to the policies and management regulation.

Based on the conclusion, the research cannot be separated from the limitations of the study. This study utilized cross-sectional data and to obtain more comprehensive result, longitudinal studied is needed to explore the mediating effect of job satisfaction on job performance. Therefore, this study suggests future studies need to obtain more generalizable results with the different context of study and participants. Moreover, compensation and employee engagement can be tested the effect on employee turnover and job performance.

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