The Influence of Job Satisfaction, Organizational Commitment on Employee Turnover and Performance at PT. Surya Tangerang Branch

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Abstract

This research aims to test the influence between variables so that a level of accuracy can be achieved for PT employees. Surya Tangerang Branch. As non-permanent employees, the number of non-permanent employees in 2023 will be 62% of the total number of permanent employees. The turnover rate for non-permanent employees will reach 10.9% or as many as 37 employees in 2023. Factors that influence employee turnover. The research method uses SEM (Structural Equation Modeling) which is a multivariate analysis technique with 4 research variables, namely Job Satisfaction, Organizational Commitment, Employee Turnover, and Employee Performance. From these variables, five hypothesis formulations are used. This data was obtained from primary data directly from respondents through questionnaires distributed to non-permanent employees at the PT company. Surya Tangerang Branch. The number of respondents was 150 people, data analysis using SEM-PLS. The results of organizational commitment and job satisfaction have a significant influence on employee turnover, while the employee turnover and organizational commitment variables have a significant influence on employee performance, while the job satisfaction variable does not have a significant influence on employee performance. Suggestions for companies to continue providing training and skills regularly. For researchers to be able to add several variables to their research.

Keywords: Job Satisfaction, Commitment. Employee Turnover. Employee Performance

1. Introduction

Employees in outsourcing work arrangements seem to be becoming a trend or model for company owners, both state-owned companies and private companies. A Juliandi. (2018). The current condition of non-permanent employees has become a company strategy to increase profits, increase effectiveness and efficiency in the field of human resources. The aim of the temporary employee system is to reduce costs to become more efficient for the company. In the temporary employee system, companies can save on expenses, namely in developing human resources.

The problem faced in implementing the current outsourcing policy is that practices do not comply with the provisions of Law No. 13 of 2003 and other employment regulations. Especially in the implementation of Law No. 13 of 2003 article 102 paragraph (1), in which in essence the government sets policies, provides services, carries out supervision, and takes action against violations of labor laws and regulations, but in practice, it has not been effective. Nuraini, D. (2017). Therefore, the impact of implementing inappropriate outsourcing policies is that there are disputes and the potential for problems such as high Turnover Intention which is indicated to have an impact on employee performance and impact on company operations.

The object of research at the company Pt. Surya Tangerang, which is a company engaged in inspection, supervision, testing and assessment. Non-permanent employees at the Pt Surya Tangerang Company are non-permanent employees. In the temporary employee system, employees are the object of research that is currently being carried out. Capnary, M. C. (2018). The number of non-permanent employees is 62% greater than the number of permanent employees at 38%. Based on problems in research found in the field, it has been found that turnover among non-permanent employees at the company Pt Surya Tangerang Branch reached 11.0%, or as many as 37 employees in 2023.

2. Theoretical Franework

2.1 Structural Equation Modeling (SEM) Theory

Understanding (SEM) There are several advantages that the SEM method has, (Mangkunegara, 2014). are as follows:
   a. In the analysis of a combination of several factors and regression and correlation tests, which can test the influence of several variables in the model, they become indicators of several constructs, and can influence several of these constructs.
   b. It is a statistical model that provides calculated estimates of the strength of hypothesized relationships between variables in a theoretical model, either directly or through intermediary variables.
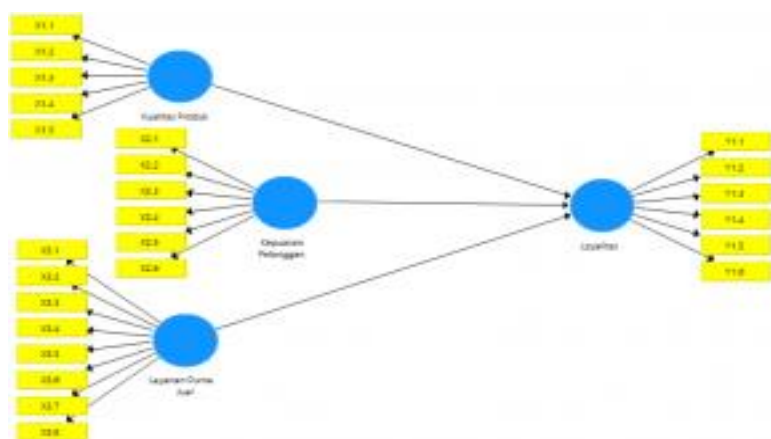

Figure 1. Structural Equation Modeling (SEM) analysis

3. Research Methods

This research was conducted to test the intended hypothesis using research methods that have been designed according to the variables to be studied to obtain accurate research results. Arikunto, Suharismi. (2012). The discussion in this research method includes research design, research limitations, theoretical framework, hypothesis formulation, variable measurement,

variable identification, population, sample and sampling techniques, research instruments, data and collection methods, data validity and reliability tests, and the following. The last is data analysis techniques.

3.1 Research Model

In this research, we will look for the relationship between the influence of the independent/independent variable and the intervening variable on the dependent/dependent variable as well as the indicators that influence it. Sugiyono, (2018). Next the variables above are translated into research indicators, namely as follows:

a. Population, Sample, and Sampling Techniques

A sample is a portion of the overall population that is carefully selected to be representative of the population. Therefore, samples taken from the population must be representative of the entire population. The sample for this research is non-permanent employees of PT. SCI with several non-permanent employees of 338 employees. Determining the number of samples for Structural Equation Modeling (SEM) analysis using the formula

$$\boxed{\text{Number of samples} = \text{number of indicators x 5 to 10}}$$

b. Sampling

In taking samples using Stratified Random Sampling, using a proportional sampling approach with the aim of sampling each employee through the portfolio can be represented. As for sampling, the total number of employees is that the sample is equal to the number of indicators x 5 to 10 and 33 non-permanent employees in each section of the PT company. Surya Tangerang Branch, which is presented in Table 1 below.

Table 1 Number of Sampling in Each Portfolio

No	Portfolio	Number	Samples
1	General Division	48	$48/338 \; x \; 150 = 22$
2	Finance Division	44	$44/338 \; x \; 150 = 19$
3	Mineral	69	$69/338 \; x \; 150 = 31$
4	Coal	70	$70/338 \; x \; 150 = 31$
5	Laboratory	66	$66/ \; 338 \; x \; 150 = 29$
6	Eco Frame Work Certification SERCO)	41	$41/338 \; x \; 150 = 18$
7	TOTAL	338	150 responded

3.2. Research Instrument

The instrument in this research was used to collect data from several respondents by administering several questionnaires. The questionnaire contains questions regarding each variable. In stretching the construct that can be measured is the indicator through the question items in the questionnaire. The question indicators in this research questionnaire were taken from several previous studies which were considered appropriate for the variables to be tested.

3.3.   Data Collection Technique

This research uses data analysis with a research pattern of several variables studied. The model used in this research is a causal model to test the hypotheses proposed in the research. with the analysis technique used is Structural Equation Modeling (SEM), which is operated through the PLS program. The SEM model is a multivariate statistical technique which is a combination of factor analysis and correlation analysis, which is aimed at testing the relationships and influences between the variables in the model, both between indicators and their constructs, as well as relationships between constructs.

4. Results and Discussion
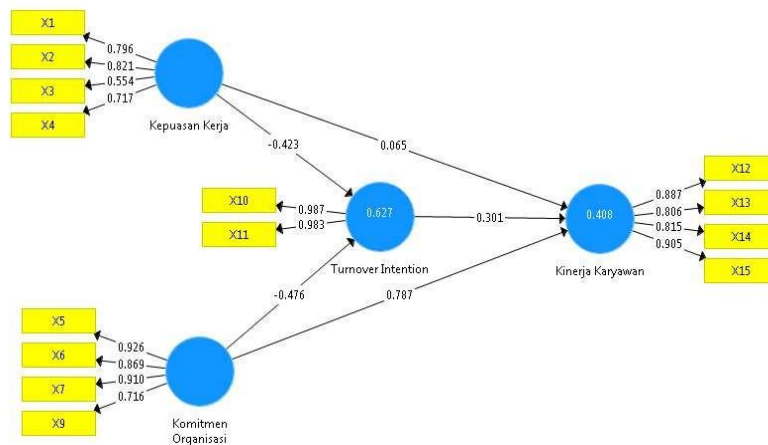Structural Model Evaluation Results (Inner Model)

Figure 2 Diagram of SEM-PLS data processing results stage 2

Table 2 Outer Loading Values in SEM-PLS data processing stage 2

	Job satisfaction	Employee performance	Organizational Commitment	Employee Turnover
X1	0,795			
X2	0,820			
X3	0,555			
X4	0,715			
X5			0,925	
X6			0,870	
X7			0,910	
X9			0,715	
X10				0,985
X11				0,985
X12		0,885		
X13		0,805		
X14		0,815		
X15		0,905		

Stages in testing the relationship between constructs. Sang Hyun Lee. (2017). It can be described in the path coefficient which is a description of the level of closeness between construct relationships. Giving a sign to the path coefficient must be in accordance with the hypothesis, to measure the significance of the path coefficient which can be described from the t-test, namely the critical ratio obtained by the process through the bootstrapping method test (resampling method).

The next step is to evaluate R2, by providing an accurate formulation and explanation which is the same as R2, where linear regression is the same as the size of the endogenous variable, which can be explained by testing exogenous variables. It has criteria and limits for the R2 value, namely having three classifications of 0.65 with a substance of 0.35 and also moderate of 0.19 with a weak category. Damayanti, R., Hanafi. A, & Cahyadi. A. (2018). In changes to the R2 value, which is used to see the results by measuring exogenous latent variables on endogenous latent variables that have a substantive influence.

So from the results of SEM-PLS data processing in stage 2, the R2 value is obtained according to the details listed in table 3, namely as follows:

Table 3. R Square Value

	R Square
Employee performance	0,410
Employee Turnover	0,630

Source: SEM-PLS data processing stage

Based on table 3 above, it illustrates that employee performance can be obtained from the variables of job satisfaction, organizational commitment and employee turnover of 0.410 which corresponds to 41.0%, while the remaining 59.2% is obtained from other research model variables. Ghozali, Imam. (2016). The table above also provides an illustration that the employee turnover obtained was 0.630 which corresponds to 63.0%, while the job satisfaction and organizational commitment variables of 37.5% were obtained from variables outside this research model.

Table 4 Hypothesis Testing Results

	Original Sample O)	T Statistics (|O/STDEV|)	Conclusion
Job Satisfaction -> Employee Performance	0,060	0,680	There is a positive effect but the results are not significant, and the hypothesis is rejected
Job Satisfaction -> Employee Turnover	-0,408	16,895	There is a negative influence which has significant results, and the hypothesis is accepted
Organizational Commitment -> Employee Performance	0,705	12,320	There is a positive influence in the significant results, and the hypothesis is accepted
Organizational Commitment -> Employee Turnover	-0,472	9,216	There is a negative effect and the results are significant, then the hypothesis is accepted
Employee Turnover -> Employee Performance	0,246	3,382	Has a positive influence with significant results, and the hypothesis is accepted

5. Discussion

Based on testing to obtain results and discussion, tests and hypotheses, Colin Lye Chin. (2018). the next discussion and research results are as follows:

a. Hypothesis 1, namely that job satisfaction has an effect on employee performance, amounting to 0.060, so it has a positive effect, the higher the job satisfaction, the higher the employee's performance. With a t-statistic test value of 0.680, it means the results are not significant because the t-statistic value is smaller than the t-table (0.680 < 1.95), so the hypothesis is rejected.

b. Hypothesis 2, namely that job satisfaction influences turnover, the magnitude of the parameter coefficient influencing job satisfaction on employee turnover is -0.410, there is a negative influence, the lower the job satisfaction, the lower the employee turnover. With a t-statistic value of 12.320, it means that the results are significant with a t-statistic value greater than the t-table, namely 12.320 > 1.95, then the hypothesis is accepted.

c. Hypothesis 3, namely that organizational commitment influences employee performance, the parameter coefficient influencing organizational commitment on employee performance is 0.705, has a positive effect on the performance variable. So the higher the organizational commitment, the better employee performance. With a t-statistic value of 16.895, it means the results are significant, the t-statistic value is greater than the t-table value (16.895 > 1.95), then the hypothesis is accepted.

d. Hypothesis 4, namely that organizational commitment has an effect on employee turnover, the parameter coefficient of organizational commitment on employee turnover is -0.470, which has a negative effect on this variable. The lower organizational commitment, the higher employee turnover. From the t-statistic value of 9.215, it means that the t-statistic value is significantly greater than the t-table (9.215 > 1.95), so the hypothesis is accepted.

e. Hypothesis 5, namely employee turnover has an effect on employee performance, the magnitude of the parameter coefficient influencing turnover on employee performance is 0.245, meaning there is a positive influence on this variable. So the lower employee turnover, the better employee performance. From the t-statistic value of 3.380, which means it is significant, the t-statistic value is greater than the t-table (3.380 > 1.95), so the hypothesis is accepted.

5.1. Focus Group Discussion (FGD)

Based on the results of analysis via SEM-PLS, through Focus Group Discussion (FGD) which was carried out in the meeting room at PT. Surya Tangerang Branch. The meeting involved four coordinators from each section and three people from the general division. Yoga., (2016). Discussions were carried out to produce policies in accordance with the results of the SEM-PLS analysis, and in accordance with employee satisfaction, as well as to be used by management as employee performance that can reduce employee turnover for non-permanent employees. From the FGDs that have been carried out, the proposed priorities are as follows:

a. Companies must pay attention to employee welfare, so that employees trust the company, so if employees trust the company, the company will gain organizational commitment from employees.

b. Companies must give rewards to employees who excel, in the form of promotions and status changes from non-permanent employees to permanent employees.

c. Employees need to have their duties, work and responsibilities explained in detail and completely, in accordance with their work assignments, if employees do not have their

duties and responsibilities then the employee is not appropriate in operationalizing their work in the company.

5.2. Managerial Implications

The impact of the results of discussions in the FGD forum which analyzed several variables in decisions for PT. Surya Tangerang Branch can therefore recommend the following: Rosita Point. (2016).

    a. Employee job satisfaction and organizational commitment factors as variables at PT. Surya Tangerang. These two variables can increase job satisfaction and organizational commitment, by adjusting salaries according to their duties and work, and providing awards for employees with achievements and determining non-permanent employees as permanent employees. Doing this will have a positive impact.

    b. Factors and variables for PT. Surya Tangerang Branch, because high employee turnover has an impact on job dissatisfaction. The factors of job satisfaction and organizational commitment have an impact on reducing employee turnover, so reducing turnover has a positive impact on the company

    c. Other employee performance factors have an impact on job satisfaction, organizational commitment and employee turnover. To improve performance, companies must determine employee duties and responsibilities according to their work, provide supervision and review employee performance so that employees understand their duties and work.

6. Conclusion & Suggestion
6.1. Conclusion

Based on the results and discussion above, several conclusions were obtained which are as follows:

    a. Job satisfaction on employee performance has a positive influence with a value of 0.060, however the influence of these two variables is not significant because the t-statistic value is smaller than the t-table (0.680 < 1.95), the hypothesis is rejected.

    b. Job satisfaction on employee turnover has a negative influence with a value of -0.410, so the influence on these two variables is significant because the t-statistic value is greater than the t-table (12.320 > 1.95), the hypothesis is accepted.

    c. Organizational commitment to employee performance has a positive influence with a value of 0.705, and influences both variables and is significant because the t-statistic value is greater than the t-table (16.895 > 1.95), the hypothesis is accepted.

    d. Organizational commitment to turnover has a negative influence with a value of -0.470, has an influence on both variables and is significant because the t-statistic value is greater than the t-table (9.215 > 1.95), the hypothesis is accepted.

    e. Employee turnover on employee performance has a positive effect with a value of 0.245, and has an effect on both variables and is significant with a t-statistic value greater than the t-table (3.380 > 1.90), the hypothesis is accepted.

    f. From the results of the Focus Group Discussion (FGD), it can be concluded that employee performance can be improved through: (1). Companies must pay attention to employee welfare, so that employees are committed to the company. (2). Companies must give awards to non-permanent employees who excel in the form of determining the status of non-permanent employees to permanent employees. (3). Companies must clarify employee duties and responsibilities.

6.2. Suggestion

Based on the discussion and conclusions above, several recommendations can be given in the form of suggestions, namely as follows:

a. For the PT Company. Surya Tangerang Branch, should focus on employee job satisfaction in order to reduce employee turnover, because turnover can affect employee performance, so that good performance can be maintained, while poor performance must be improved.

b. For employees to always improve their work skills and discipline, not be late according to working hours, pay attention to work safety, maintain good work relationships, and always maintain performance to get a better career.

c. Researchers can then use the research model by adding several new variables such as motivation, work culture, achievement, work environment, and others. Next, you can develop indicators based on primary data to measure variables that focus on employee satisfaction.

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