The Role of Perceived Organizational Support on Employee Turnover Intention

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Abstract

Based on data obtained in 2016, it is known that at PT. X, the number of employees who made a turnover or changed jobs was 40 people or the equivalent of 25% of the total 135 employees at PT. X. Employees who have a high level of perception of organizational support will show high commitment and will not look for alternative jobs or have the desire to move out. As a result of previous research, perceived organizational support is one factor that reduces turnover intensity. This study recruited participants using a purposive sampling technique in which 55 men agreed to be participants. The analysis showcases a negative relationship between perceived organizational support and turnover intensity. The higher the perceived level of organizational support, the lower the turnover intensity behavior. Another finding is there is a 12.5% effect of perceived organizational support on turnover intention, which means that perceived organizational support is one of the main factors that directly affect turnover intention. This finding can be another evidence that perceived organizational support significantly affects turnover intention.

Keywords: employee turnover intention, perceived organizational support

Abstrak


Kata kunci: intensitas turnover karyawan, persepsi dukungan organisasi
Introduction

In a news release by mediaindonesia.com, “99.5% of bottled drinking water circulating in Indonesia is a domestic product,” said the Head of BPOM in a press release on July 18, 2021. In addition, based on a statement from the General Chairperson of ASPADIN Hendro Baroen no 10 years ago, data in 2012 there were about 500 AMDK companies operating in Indonesia (www.kabarbisnis.com). This data shows that competition is intense, especially in the bottled water industry in Indonesia. In addition, the company is faced with domestic competition and matches with bottled drinking water companies from abroad. The increasingly fierce competition makes companies or related organizations have to be able to compete to continue to survive in the Bottled Drinking Water (AMDK) industry in Indonesia. One way companies can be superior to others in this competitive competition is that companies must have substantial human resources to achieve the desired performance results and company or organizational goals (Amelinda & Harjanti, 2015).

Employees who are emotionally committed to the organization/company will show increased performance, reduce absenteeism/absence from work, and decrease the likelihood of quitting their jobs (Rhoades & Eisenberger, 2002). Unfortunately, the turnover rate continues to increase significantly in Asian countries, which is supported by previous studies that state that the majority of organizations in Asian countries, such as South Korea, Malaysia, Singapore, and Taiwan, currently have high turnover rates (Sinniah & Kamil, 2017; Norizan et al., 2021). Moreover, several kinds of research have proved that Employees who are perceived to be supported by their organizations have a lower turnover intention (Tetteh et al., 2020; Knapp et al., 2017; Kurtessis et al., 2017). The main reason is that they believe that organizations are willing to care about their well-being, fulfill their socio-emotional needs, or fulfill their work values (Eisenberger et al., 1986; Akgrunduz, & Sanli, 2017; Kurtessis et al., 2017). Difficulties at work or even difficulties at home or in everyday life, such as work/family imbalances (Beigi et al., 2012), overwhelming task demands (Ahuja et al., 2007), and demanding customers (Singh et al., 1994). Make the support that individuals receive from the organization and their coworkers particularly important because, without effective support structures, such workplace challenges can strain organizational relationships and lead some individuals to seek alternative employment (Maertz & Griffeth, 2004; Madden et al., 2015).

Turnover intention is the strongest predictor in predicting turnover, where turnover is the actual behavior of employees who leave the company or, in other words, resign or quit their jobs at the company (Agustini et al., 2017). The desired turnover intention is the cessation of an individual as a member of an organization accompanied by the provision of financial rewards by the organization concerned (Mobley, 2011). Another definition put forward by Rivai (2009) is, Turnover Intention is the desire of employees to leave the organization voluntarily and of their own accord. From this definition, it can be concluded that Turnover Intention or the desire to move is the desire of employees to leave the company and have a tendency to quit their jobs (turnover).

Turnover can have both positive and negative impacts on the company. Suppose the company loses 20% of people who are competent in their fields or have good performance. In that case, it will harm the company because employees with good performance contribute ten times more than employees in general. So the company must maintain the turnover rate of employees with high performance below 5%. However, if the company loses 20% of people who are less competent and show low performance, this positively impacts the company. Because this can help companies improve company performance by replacing employees with low performance with new employees who have far better competence and performance, as well as new ideas that can assist in improving company performance; however, it should be remembered that if the turnover percentage in a company is high enough, it will hurt the company both financially and in terms of time (Handoyo, 1987; Mello, 2002; Sullivan, 2003). This is also supported by the statement of Roseman (1981) in his book Managing Turnover, which states that if the annual turnover in the company exceeds 10%, the turnover rate in the company can be said to be high. Therefore, it is important for companies to find and retain competent employees. Therefore, companies must always

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provide positive support to employees, which is called Perceived Organizational Support (POS) or also called Perceived Organizational Support (Dewi & Rahyuda, 2015).

Based on data obtained in 2016, it is known that at PT. X, the number of employees who made a turnover or changed jobs was 40 people or the equivalent of 25% of the total 135 employees at PT. X. As explained by Roseman (1981) previously, if a company's annual turnover exceeds 10%, the turnover rate in the company can be said to be high. Another reason is that previous research only describes the correlation between perceived organizational support and turnover intention in moderating or influenced by other elements, like, job stress, job satisfaction, organizational commitment, and even affective commitment (Hussain & Asif, 2012; Knapp et al., 2017; Satardine et al., 2019; Tetteh et al., 2020), but not included how much perceived organizational support influenced the turnover intention, like how much percentage of perceived organizational support affect the turnover intention. So this study is interested in researching the role of perceived organizational support on the desire to change jobs in employees at the company. Researchers believe that there is a negative role between perceptions of organizational support (POS) on the desire to change jobs or what we call turnover intention in employees. There is a considerable effect of perceived organizational support on turnover intention.

Perceived Organizational Support

According to Eisenberger and Rhoades (2002), the perception of organizational support refers to members' perception of the extent to which the organization values their contribution and cares about their welfare. Organizational support theory supposes that to determine the organization's readiness to reward increased work effort and to meet socioemotional needs, employees develop global beliefs concerning the extent to which the organization values their contributions and cares about their well-being (Eisenberger et al., 1986; Shore & Shore, 1995). In his book, Eisenberger et al. (2002) assessed that increased perceived organizational support will make employees feel obliged to contribute and care about the company's welfare and help the company achieve the desired goals. Perception of organizational support is also considered a guarantee that when needed, assistance will be provided by the company or organization where the individual works to be able to do their job effectively and face pressure even though (Rhoades & Eisenberger, 2002). The high level of organizational support will create a feeling of fulfilling the obligations of employees, not only feeling that they must commit to the organization but also feeling obligated to give rewards for the commitment given by the organization by showing behavior that supports organizational goals.

The award given by the company is an advantage for employees because employees feel accepted and recognized. The award can be in the form of salaries, promotions, or other forms of appreciation or other assistance needed by employees to help effectively carry out work to the fullest (Rhoades & Eisenberger, 2002). Suppose employees perceive the support or assistance, or appreciation they receive as high. In that case, employees tend to be loyal, care about the company's welfare, and develop more positive relationships and perceptions of their company. Thus, employees will not have thoughts or intentions of leaving or looking for alternative jobs outside the company. Based on Organizational Support Theory, there are three forms of POS, namely:

1. Fairness

Justice in question is justice in procedural or work-related justice. According to Cropanzano and Greenberg (in Rhoades & Eisenberger, 2002), justice here is divided into 2, namely: structural determinants and social aspects. One included in the structural determinants, such as fairness in setting formal rules and policies regarding a decision that should involve employees. So that employees feel that they are needed in the company or organization. As for the social aspect, the justice in question is justice in the quality of interpersonal treatment. How the company or organization treats its employees. A company should treat employees with respect and dignity so that employees feel valued and cared for by the company or organization.
2. Supervisor Support

Similar to employees who have a perception of their company regarding how the company treats them, employees also always pay attention to how their superiors treat and care about the welfare of their employees, as well as how their superiors view the contributions they have made to the company.

3. Organizational Rewards and Job Conditions

According to Shore and Shore (in Rhoades & Eisenberger, 2002), human resource experts consider that recognition of employee contributions should positively influence perceptions of organizational support (POS). Several studies show that there are several aspects of organizational rewards and job satisfaction, namely: recognition, pay, and promotion (recognition, pay, and promotion), job security (job security), autonomy (work schedule), procedures and tasks in work), as well as role stressors and training (training).

Turnover Intention

According to Harnoto (2002), turnover intention is an employee's desire to move from one workplace to another. The point is that turnover intention is a desire that has not materialized into behavior and is also the strongest predictor of turnover behavior. Turnover here means the cessation of an employee or employee from the company where he works. Hartono also explained that the intention to leave could arise due to dissatisfaction with their work, which triggers the desire to leave or move to another company or job. Lum et al. (1998) explain that turnover intention can be measured using three components, namely:

a. The desire to find a new job in the same field at another company, namely when a person feels that another company can provide more benefits than his current company, his desire to move can be higher.

b. The desire to find a new job in a different field in another company. If someone feels they are not progressing in the field they are engaged in; they will switch to a different field.

c. The desire to find a new profession. People with many skills tend to look for new jobs with new challenges.

Employee turnover intention (TI) has been a critical issue that could lead to adverse outcomes, such as a combination of costs, like, monetary, mental, or even exchange, and increased workload due to the lack of staff, poor profitability, and even enlistment costs. Even in some organizations, there are direct and indirect costs. Direct costs (through selection, training, and so forth) and indirect costs (regarding decreased efficiency and lost knowledge) of employee turnover have been observed to be incredibly high. Haritharan et al. (2015) demonstrated that companies must bear the burden of both the direct and indirect costs related to turnover and, perhaps most importantly, lost human capital (Kim et al., 2010; Suliman & Al Obaidi, 2011; Grissom et al., 2012; Abu Elanain, 2014; AlHashmi, Jabeen, & Papastathopoulos, 2019). Based on these statements, organizations need to prevent turnover by reducing the intention to turnover, like caring about employees' well-being and satisfaction while working to maintain their organization's commitment (AlHashmi, Jabeen, & Papastathopoulos, 2019).

According research conducted by Newman et al. (2012) using the SEM (Structured Equation Modeling) test tool found that the perception of organizational support has a significant adverse effect on the desire to leave the organization (turnover intensity). The higher the employee's POS to the company, the lower the turnover that occurs in the company. Conversely, the lower the employee's POS to the company, the higher the turnover. However, according to Suwandi & Indriantoro (1999), most employee turnover has an unfavorable effect on the organization, namely the high turnover intention in the company. This will impact the increasing number of potential costs, whether training costs have been invested in employees, the level of performance sacrificed, or recruitment and retraining costs.
Methods

The present study recruited a sample of production sector employees. Participants were 55 employees. Of the 55 employees, consists 27 employees are men (49.1%). They were recruited using a purposive sampling technique. The instrument used in this study is a psychological scale including the perceived organizational support scale based on the POS forms proposed by Rhoades & Eisenberger (2002), namely, a sense of justice, superior support, and appreciation from the organization and working conditions. The turnover intensity scale was made based on the indicators proposed by Harnoto (2002), namely a) increased absenteeism, b) started to be lazy to work, c) increased violations of work rules, d) increased protests against superiors, e) behavior a very different positive than usual. Testing the validity of the perceived organizational support scale on turnover intensity in this study using Corrected Item-Total Correlation. Reliability testing in this study uses the Cronbach Alpha Alpha reliability coefficient technique.

The validity test on the perceived organizational support scale showcased than 36 items out of 60 items were obtained. The total item correlation coefficient ranges from $r_{ix} = -.203$ to $r_{ix} = .620$ with a value of $r_{table} = .2542$. The organizational support perception scale has a Cronbach alpha reliability value of ($\alpha$) = .890. Based on the results of the validity test on the turnover intensity scale, 52 items were obtained from 70 items. The total item correlation coefficient ranges from $r_{ix} = -.447$ to $r_{ix} = .827$ with a value of $r_{table} = .2352$. The turnover intensity scale has a Cronbach alpha reliability value of ($\alpha$) = .942. The data analysis technique used in this study is simple linear regression analysis. This analysis technique is used to determine the role of one independent variable with one dependent variable (Priyatno, 2010).

Results and Discussion

Results

Participants involved in this study were 55 employees of PT. X is in the Production Division, namely, the QC (Quality Control) (5 people), the Warehouse (20 people), and the Production Executor (30 people). Before analyzing the data, a test was conducted to see if the data obtained were normally distributed or not using SPSS. The results show that the population of data on perceptions of organizational support and turnover intensity is normally distributed. This can be seen from the Kolmogorov-Smirnov value of the two variables of .74 (sig. > .05).

When the data is normally distributed, a linear regression test was conducted to determine the effect of perceived organizational support on the desire to turnover intention. The regression results are shown in Table 1.

Table 1. POS Linear Regression Analysis and Turnover Intention

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Square</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>4747.272</td>
<td>1</td>
<td>4747.272</td>
<td>7.601</td>
<td>.008</td>
</tr>
<tr>
<td>Residual</td>
<td>33101.274</td>
<td>53</td>
<td>624.552</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>37848.545</td>
<td>54</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

b. Predictors: POS

Based on Table 1., there is a significant relationship between perceived organizational support and the desire for turnover intention with a significance value of .008 (sig. < .05). It shows that perceived organizational support (POS) has a direct impact on turnover intention as the dependent variable. In another finding in this study, especially, in Table 2, below, it is found that $t$ count < $t$ table (-2.757 < -2.007), it can be concluded that there is a negative role between perceived organizational support and employee turnover intention. This is in accordance with what was previously predicted that there is an influence of perceived organizational support on the desire to turnover intention in employees and the
relationship between the two is a negative relationship, namely the higher the perception of organizational support for employees, the lower the desire for turnover intention. The magnitude of the effect of perceived organizational support on the desire for turnover intention is 12.5% ($R = .354$), while the remaining 87.5% is influenced by other factors. Based on the results of all the indicators of turnover intention, it can be seen that the most dominant signs of employees making a turnover are an increase in violations of work rules, namely the majority of employees violate company rules, such as when employees are on duty out of the office, employees take the time to go for a walk one of them. the cause is the lack of firmness from superiors. These findings can be an early indication of predicting the turnover on employees.

Table 2. Value of Regression Determination Coefficient

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>181.431</td>
<td>21.492</td>
<td>8.442</td>
<td>.000</td>
</tr>
<tr>
<td>POS</td>
<td>-.560</td>
<td>.203</td>
<td>-.354</td>
<td>-2.757</td>
</tr>
</tbody>
</table>

Based on the categorization, in general the perception of organizational support is owned by employees at PT. X, especially in the production division, is in the medium category, with a percentage of 90.91% of the total subjects. In this categorization, it can also be said that employees consider the support provided by the organization still appreciates the contribution they have made. The desired turnover intention for employees of the production division at PT. X in this study were in the moderate category, as many as 46 people (83.64%), while there was 1 person (1.82%) who had a high turnover intention, and there were 8 people (14.54%) who have a low turnover intention.

Discussion

As described previously, there is a negative role in the perception of organizational support on the desire for turnover intention in employees at PT. X. This means that the higher the perceived level of employee organizational support, the lower the desire to change jobs (turnover intention). Thus, the hypothesis in this study is accepted. This finding is in line with research by Allen, Shore, and Griffeth (2003) that individuals who have a high level of perception of the support provided by the organization tend to have a low turnover intensity or desire to change jobs compared to individuals who have a low level of perception of the support provided. organization. Based on the results of the study, it can be seen that the most dominant signs of employees making a turnover are an increase in violations of work rules, namely the majority of employees violate company rules, such as when employees are on duty out of the office, employees take the time to go for a walk one of them. the cause is the lack of firmness from superiors. As we spoke before in the previous line, that these findings, especially, from the dominant signs can be an early indication of predicting the turnover on employees in PT. X.

Based on the results of this study, it can be seen that there are 46 people who have a desire to change jobs (turnover intention) which is classified as moderate, namely 46 people who still want to stay in the company due to a good perception of organizational support. These statements are supported by previous research that employees who often respond positively to the support they receive from their organizations, would be will encourage a strong longing to stay with the organization. In other word, individuals with high POS would be less likely to search for alternative employment in other organizations (Eisenberger et al., 1990; Sherony & Green, 2002; Hussain & Asif, 2012). In accordance with Armeli's statement which states that a high level of organizational support will create a feeling to fulfill the obligations of employees, not only feel that they must have a commitment to the organization, but also feel obliged to give remuneration for the commitment given by the organization by showing behavior that supports organizational goals (Eisenberger, Ivan, Linda, Florences, and Christian, 2002).
Based on previous findings, it shows that the perception of organizational support has a role in the desire for the turnover intention in employees at PT. X is 12.5%. Meanwhile, 87.5% of the other contributions came from other variables not examined in this study. The number of other factors that influence the desired turnover intention makes this research ultimately has limitations. This is because this study only examines one variable that affects the desire to change jobs (turnover intention), namely the perception of organizational support. The main finding, which is, the large percentage of POS (Perceived Organizational Support) that directly affect Turnover Intention could be the new finding in both variable’s interaction. Previous findings always put them with other variables or other elements. Like job stress, affective commitment, or even organizational commitment (Hussain & Asif, 2012; Satardine et al., 2019; Tetteh et al., 2020). We knew that out of several predictors, turnover Intension was found to be the strongest predictor (Griffet et al., 2000) due to the fact of too much of workload and lack of Perceived Organizational Support (POS) that can start a progression of job dissatisfaction, turnover intention (TI) and in conclusion turnover (Price & Mueller, 1981; Tett & Meyyer, 1993). With this finding, another fact of the role of POS have been found, which is the percentage of perceived organizational support in negatively affect on turnover intention, especially in PT. X.

Conclusion

The study’s findings showcase that there is a negative influence on the perception of organizational support on the desired turnover intention in employees at PT. X. The role of perceived organizational support on the desired turnover intention is only 12.5%, which is why the perception of organizational support is not entirely a factor that plays a direct role in the desire turnover intention in the production division employees at the company. While the other 87.5% of contributions came from other variables not examined in this study, such as organizational commitment, promotion, job satisfaction, job stress, fairness, job factors, intentional and voluntary factors, and organizational factors. Other factors that can be available in the next examination are the effect of gender, age, and marital status on intention turnover.

References


