The nightmare of turnover intention for companies in Indonesia

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Abstract

Every company certainly expects its employees to focus on working in the company by devoting all their abilities, knowledge, expertise and time. Working focus of employees will be disturbed when employees have the intention to move, turnover intention, to work elsewhere. Turnover intention is a very serious problem for the company, because turnover intention will cause a very large loss for the company, causing a very large expense for the company. This is qualitative research and the purpose of this research is to analyze the effects of turnover intention and to find solution to turnover intention. In-depth interview techniques was used to get the data.

Keywords: Nightmare, Turnover intention, Companies, Indonesia.

La pesadilla de la intención de rotación para empresas en Indonesia

Resumen

Ciertamente, cada empresa espera que sus empleados se concentren en trabajar en la empresa al dedicar todas sus habilidades, conocimientos, experiencia y tiempo. El enfoque de trabajo de los empleados se verá...
afectado cuando los empleados tengan la intención de mudarse, la intención de rotación, trabajar en otro lugar. La intención de rotación es un problema muy serio para la compañía, porque la intención de rotación causará una pérdida muy grande para la compañía, causando un gasto muy grande para la compañía. Esta es una investigación cualitativa y el propósito de esta investigación es analizar los efectos de la intención de rotación y encontrar una solución para la intención de rotación. Se utilizaron técnicas de entrevista en profundidad para obtener los datos.

**Palabras clave:** Pesadilla, Intención de rotación, Empresas, Indonesia.

1. INTRODUCTION

An organization is inseparable from the human resources that are in it. Effective organizations increasingly realize that the factors that greatly contribute to the development of an organization are people or employees. Human resources is one thing that is very important for the success of a company both large and small scale companies, whatever the type of industry. Thus it can be said that the existence of human resources in the company has a very big influence on the progress or setback of the company. If the human resources in the company can develop well, the company will get good development as well. Vice versa, if the human resources in the organization cannot develop properly then this will result in a decline in the quality of the company.

In the world of work we often find a phenomenon where many employees choose to move away from the company and many employees choose to stay in the company. Employees who decide to move or stay in the company are generally based on a variety of reasons. Employees who choose to leave the company where they work can be triggered by the
discomfort they feel. Such discomfort can be caused by many things such as work dissatisfaction, organizational culture mismatch, leadership, coworkers, workload, and inappropriate compensation and so on. Not only influenced by a sense of discomfort, employees who choose to leave the organization where they work can be triggered by their desire to get a better job or because they feel comfortable with the new environment that makes them prefer to leave their jobs.

Therefore, the company needs to prioritize efforts to motivate, train, develop, and retain qualified employees to support the achievement of company goals so as not to have an impact on turnover. Employee turnover is a phenomenon that often occurs within the scope of the company. Employee turnover is the resignation of an employee either voluntarily or voluntarily from a company. Sometimes employee turnover gives a positive impact on the company. Especially if the workers who leave are those who are under-performing, individuals who are less reliable, or those who are disturbing colleagues. However, the majority of employee turnovers actually have a negative impact on the company. Among them, when companies recruit a new employee to replace those who leave, the costs incurred are big. Starting from the recruitment fee consisting of advertising costs, recruiter salary, and even some companies that accept applicants from distant locations usually finance the applicant's travel and accommodation. In addition, of course there will be trainings that are in accordance with the job description so that the work is carried out according to company standards.
At this time, the high level of turnover intention has become a serious problem for many companies. In fact, some Human Resource managers are frustrated when they learn that the recruitment process that has succeeded in recruiting new employees that can be trusted and qualified ultimately turns out to be in vain because the new recruits choose jobs in other companies. Companies should strive to make turnover intention is not too high, so that the company also get benefits from new employees.

Research on turnover intention has been carried out by a lot of researchers, such as Nawas, Khalid, and Khan (NAWAZ, NOOR, AQSA KHALID & TASLEEM KHAN. (2018), Vandenberghe, Bentein, and Panaccio (VANDENBERGHE, C., BENTEIN, K., & PANACCIO, A. (2017), Tawiah, Ntow and Mensah (AMPONSAH-TAWIAH, K., NTOW, M. A. O., & MENSAH, J. (2016), Yamazakia and Petchdee (YAMAZAKIA, Y., & PETCHDEE, S. (2015), Tnay ET. AL (TNAY, EVELYN ET. AL. (2013), Arshadi and Damiri (ARSHADI, N., & DAMIRI, H. (2013) and several other researchers. In general, turnover intention research is always related to turnover as an impact of turnover intention and also discusses the impact of turnover, but not many studies have discussed the impact of turnover intention. For many companies turnover intention is more dangerous than turnover because employees having turnover intention is not focus on work and his heart and soul are not in the company and just waiting for a time to move the work to another company. The objective of this research is to know and to analyze the effect of turnover intention, and to give solution to turnover intention. This research discusses the impact of turnover intention which has not
been widely discussed in previous studies. The impact of turnover intention is more serious than the impact on turnover. Impact turnover is generally a cost of recruiting and training replacements (ALLEN, D. G., BRYANT, P. C., & VARDAMAN, J. M. (2010) and poor customer service (HANCOCK, J. I., ALLEN, D. G., BOSCO, F. A., MCDANIEL, K. R., & PIERCE, C. A. (2013), and decrease profit (SIMONS, T., & HINKIN, T. (2001). While the impact of turnover intention can be in the form of low productivity, low work motivation, low discipline, low working morale, and increased working accident rate. An employee with a turnover intention means that his heart and soul are no longer in the company, only his body is still in the company and is just waiting for the time to move to another company. Employees whose hearts and souls are no longer in the company can be sure that their performance will not be good and very detrimental to the company.

Turnover Intention

Intention is the desire that arises in individuals to do something. Turnover is the cessation of an employee from his place of work voluntarily. In practice, a company's performance is influenced by the conditions and behavior of employees in it. One form of employee behavior that determines a company's performance is turnover intention. Turnover intention leads to the final reality of leaving employees at a certain time (SUSIANI, VERA. (2014). Chen revealed that there are two factors that greatly influenced turnover intention were job satisfaction and organizational commitment (CHEN, C. F. (2006). Job satisfaction is the first aspect achieved before an employee has organizational commitment.
The level of job satisfaction is achieved if the expectations and needs of employees are in line with the perceived reality (PRABU, ANWAR. (2005)

Employee turnover intention is the desire to make a permanent voluntary resignation or involuntary from a company (ROBBIN, STEPHEN P. & JUDGE, TIMOTHY A. (2013). Voluntary turnover or quit is an employee's decision to leave the organization voluntarily, conversely, involuntary turnover describes the employer's decision to terminate the employment relationship and is uncontrollable for employees who experience it (SHAW, W. C., RICHMOND, S., & O'BRIEN, K. D. (1995). The occurrence of turnover is something that is not desired by the company.

2. METHODOLOGY

The respondent in this study is the Human Resource Manager who is a member of the Human Resource Manager Association in East Java, Indonesia, which consists of 50 Human Resource Managers from various companies, namely manufacturing, banking, hospitals, consulting offices, and training provider. We conducted in-dept interviews with 50 Human Resource Manager mentioned above by conducting question and answer face to face between researchers and informants, using interview guides, where the interviewer and the informants are involved in the interviews for a relatively long time. The aims of this interview is to get the data of what the impacts of turnover intention and how to give solutions to this
problem, turnover intention. In this in-depth interview we carried out an in-depth exploration of the topic of turnover intention which we had previously determined the purpose of the interview. We conducted in-depth interviews using open-ended questions. In-depth interviews were conducted to find out informant’s opinions on turnover intention, the impact of turnover intention and the solution so that employees do not have turnover intention. We conducted this interview technique by interviewing each informant face to face. The results of the interviews are recorded.

3. RESULTS AND DISCUSSION

From interviews with 50 Human Resource Managers who are members of the Human Resource Manager Association in East Java, Indonesia, it can be seen that turnover intention is far more dangerous than turnover. The Human Resource Managers are very worried about turnover intention because the impact can be long-term until the time the employee who has turnover intention leaves or resigns from the company. From the discussion with 50 Human Resources Managers who are members of the Human Resource Manager Association in East Java, Indonesia, it can be known that the impact of turnover intention can be low productivity, low work motivation, low discipline, low working morale, and increased working accident rate.

Turnover intention and productivity
Definition of productivity according to Cambridge Dictionary (Cambridge English Dictionary, (2019), productivity is the rate at which a person, company, or country does useful work. Meanwhile, the definition of productivity according to Merriam-Webster Disctionary (Merriam-Webster Dictionary. (2019) productivity is the quality or state of being productive. In a study conducted by Purba, and reexamined by Sulistyawati and Indrayani (SULISTYOWATI. (2012), showed empirical evidence that turnover intention directly influences company productivity. This means that employees who have turnover intention will reduce employee productivity, which will result in decreased productivity of the company. Based on interviews with 50 Human Resource Managers who are members of the Human Resource Manager Association of East Java, Indonesia, employees with turnover intentions tend not to focus on work and do not use all their abilities to achieve good work results. As a result their productivity is low.

Turnover intention and work motivation

Anoraga explains that work motivation is something that gives rise to enthusiasm or work motivation (ANORAGA, PANJI. (2014), Hasibuan (NOE, R. A., HOLLENBECK, J. R., GERHART, B., & WRIGHT, P. M. (2015). states that work motivation is a condition or energy that moves employees to be directed or aimed at achieving the organizational goals of the company. Pinder (PINDER. (2013), argues that work motivation is a set of strength both originating from within and from outside oneself which encourages to start working behavior, according to the format, direction, intensity and a certain period of time. Furthermore according to
Robbins and Judge (ROBBIN, STEPHEN P. & JUDGE, TIMOTHY A. (2013). work motivation as a willingness to spend a high level of effort towards organizational goals, which is conditioned by the ability of these efforts to meet an individual's needs. Based on the description above, it can be concluded that the notion of work motivation is a condition or energy that drives employees who are directed to achieve the goals of the company, and the energy creates enthusiasm or encouragement to work.

Based on interviews with 50 Human Resource Managers who are members of Human Resource Manager Association in East Java, Indonesia, employees who have a turnover intention tend to have no motivation to work, they still stay in the company because they have not found work is desirable. They are still working in the company because they still expect earnings to meet the need of their life, but their work motivation has been greatly reduced and when the right moment comes where they get their desired job then they will immediately resign from the company.

Turnover intention and work discipline

According to Hasibuan (HASIBUAN, MALAYU S.P. (2006), "work discipline is the awareness and willingness of a person to obey all company rules and social norms that apply" According to Rivai (RIVAI, VEITHZAL. (2011),

work discipline is a tool used by managers to communicate with employees so that they are willing to change a behavior as well as
an effort to increase the awareness and willingness of a person to meet all company regulations.

From a number of definitions of work discipline put forward by some experts it can be concluded that work discipline is an attitude of awareness and willingness for someone to obey the rules and social norms that apply in the surrounding environment.

Based on interviews with 50 Human Resource Managers who are members of Human Resource Manager Association in East Java, Indonesia, employees with turnover intentions tend to be undisciplined, they often come to work late, often absent from work, often ask permission to do their own activities outside the company.

Turnover intention and working morale

The term moral is used to describe organizational behavior. In business organizations, of course moral understanding is associated with work activities and termed employee morale. Some understanding of work morals can be seen from several theoretical descriptions below: Drafke and Ksen (DRAFKE, M. W., & KOSSEN, S. (1998), defines morale is employees’ attitudes toward their employing organizations in general or towards specific job factors, such as supervisors, fellow employees, and financial stimuli. This can be ascribed to both individuals and groups who are part of where employees are located. Keith Davis (DAVIS, K., & NEWSTROM, J. W. (1981). states that
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when they refer to morale, they usually mean the attitude of individuals and groups toward their work environment and towards voluntary cooperation to the full extent of their abilities in the best interest of the organization. Emphasis is upon the drive to do work rather than contentment.

Furthermore, Keith Davis (DAVIS, KEITH. (1993)) relates work morale to quality of work life effort. According to him, work morals are useful and can be used for various interests that are closely related to efforts to foster relationships between employees, informal and formal communication, the formation of discipline and counseling.

Judith R. Gordon (GORDON, JUDITH R. ET AL. (2004)), revealed that morale is a group phenomenon involving extra effort, goals communality, and feelings of belonging. According to him work morale is a predisposition from members of the organization to strive to achieve organizational goals and objectives. Moral involves commitment to that goal. Moral is a group phenomenon that includes hard work, shared goals and a feeling of belonging.

Based on interviews with 50 Human Resource Managers who are members of Human Resource Manager Association in East Java, Indonesia, employees with turnover intentions tend to have low work morale, this is because the hearts and souls of these employees are no longer be in the company.

Turnover intention and working accident
Accidents do not happen by accident, but there is a reason. According to Suma'mur (SUMA'MUR. (2009), the World Health Organization (WHO) defines an accident as an event that cannot be prepared in advance so as to produce a real injury. According to Minister of Manpower Regulation of the Republic of Indonesia Number: 03/Men /1998, work accident is an undesirable and unexpected event which can cause casualties and property (Manpower Regulation of the Republic of Indonesia Number. (1998). Based on the Law of Republic of Indonesia Number 1 year 1970 concerning work safety, work accident is an unexpected and undesirable event that disrupts the regulated process of an activity and can cause harm to both human victims and property (Law of Republic of Indonesia Number 1 Year 1970 Concerning With Work Safety. (1970). Meanwhile, according to the Law of Republic of Indonesia Number 3 year 1992 concerning Workers' Social Security, workplace accidents are accidents that occur in work since leaving home to work and returning home by normal or reasonable road (Law of Republic of Indonesia Number 3 year 1992 Woncerning With Workers' Social Security. (1992).

Based on the results of interviews with 50 Human Resource Managers who are members of Human Resource Manager Association in East Java, Indonesia, from the results of investigations in their companies, it is known that some work accident cases occur in employees whaving turnover intention. This happens because employees with turnover intentions are often not disciplined in using personal protective equipment and do not comply with regulations on occupational health and safety.
Programs to reduce turnover attention

From the result of interview with HR Managers, we found some programs to reduce turnover intention. In order to reduce turnover intention companies must create programs that can increase work motivation and employee job satisfaction for production employees and for employees of staff level and above.

For production employees or operators or manual workers (blue collar) the company must provide a salary not less than the minimum wage prevailing in an area, provide social welfare in the form of life insurance, work accident insurance, old age guarantee, and pension insurance. In Indonesia this program is known as the BPJS Employment program. BPJS is a social security program for workers. In Indonesia there are two kinds of BPJS (social security for worker), these are BPJS Employment Program and BPJS Health Program. BPJS Employment Program consists of life insurance, work accident insurance, old age guarantee, and pension insurance.

4. CONCLUSION

Turnover intention is a very serious case for the company. Turnover intention is more dangerous than turnover. Turnover intention can cause low productivity, low work motivation, low discipline, low working morale, and increased working accident rate. To reduce turnover intention company should apply programs consisting of programs for blue
collar workers and programs white collar workers. Programs for blue collar workers in the form of district / city minimum wages, BPJS Employment (social security for employment) consisting of life insurance, work accident insurance, old age guarantee, and pension insurance, BPJS Health (social security for health) consisting of health protection, better working relationships, providing a safe and comfortable work environment, and implementing occupational health and safety management. While for white collar workers, companies need to provide salaries and benefits that apply in the labor market, increasing the status of contract employees to become permanent employees. Companies also need to consider providing monetary incentives and education incentives.

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