

The Influence of Organizational Commitment and Employee Retention on Production Employee Turnover Intention at PT. Bengkalis Dockindo Perkasa

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Abstract

This study aims to determine the effect of organizational commitment and employee retention on the turnover intention of production employees at PT. Bengkalis, Dockindo Perkasa, Sungai Siput Village, Bengkalis Regency. This research method uses a quantitative approach. The population in this study is PT. Bengkalis Dockindo Perkasa. The sample used was 98 employees. The data collection method in this study used questionnaires and the data analysis used was multiple linear regression through the SPSS program version 23. The results of this study show that: (1) organizational commitment negatively affects turnover intention, with regression coefficient value -0.232 , t value calculated -2.493 ($\text{sig } 0.014 < 0.05$). (2) Employee retention negatively affects turnover intention, with regression coefficient value -0.119 , calculated t value -2.189 ($\text{sig } 0.031 < 0.05$). The conclusion of this study is that organizational commitment and employee retention negatively affect the turnover intention of production employees at PT. Bengkalis, Dockindo Perkasa, Sungai Siput Village, Bengkalis Regency.

Keywords: Organizational Commitment, Employee Retention, Turnover Intention

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INTRODUCTION

Employee management is very important for companies. Managing employees is difficult and complex because they have heterogeneous thoughts, feelings, status, desires and backgrounds that are brought into the organization (Hasibuan 2020: 10). Failure to manage human resources can cause disruption to the process of achieving goals, including performance, profit and operational sustainability of the organization.

One of the problems that occur in companies is related to levels (turnover) on employees. Turnover This is a situation that the company does not want. *Turnover* Employees have been a classic problem for entrepreneurs since the industrial revolution era. Some of the causes of employee turnover at that time were poor working conditions, wages that were too low, working hours beyond the limit and the absence of social security (McKinnon, 1979 in Ilham Akhsanu Ridlo, 2012).

Turnover is the entry and exit of workers in a company within a certain period of time (Flippo, 1994). According to Mahdi et al in Zainaty Salimah's research: 2021, the employee's decision to leave the company is a big problem for every company. Desire to change jobs (turnover intention) is a problem that cannot be avoided within an organization or within a company, so efforts must be made to prevent it.

Turnover What happens will be detrimental to the company both in terms of costs, resources and employee motivation. Turnover What happens means the company loses a number of workers. These losses must be replaced with new employees. According to Mangkuprawira (2007) Employees have material and non-material needs to be appreciated and recognized by their organization. Fulfilling employee needs will then provide comfort in working and increase work loyalty and, conversely, will lead to a desire to leave work.

One of the factors that can cause this to happen turnover intention is organizational commitment. Because organizational commitment is the company's point of view in assessing an employee who works for the company and must have a spirit of loyalty to the company. Having high commitment from an employee will certainly reduce the company's costs in looking for work because the intensity of workers leaving will be reduced (Mustofa, 2019) in Ayu Fuji Lestari et al, 2021.

PT. Bengkalis Dockindo Perkasa is a company operating in the shipping industry. This company has been operating in Sungai Siput Village for 9 years. This company employs employees to support ship maintenance and repairs. This company has produced barges 4 times starting in 2021.

The current phenomenon is based on the results of observations and interviews with one of the PT

employees. Bengkalis Dockindo Perkasa is the company's lack of attention to its employees, for example there is no training to upgrade the abilities of employees while the types of activities at PT. Bengkalis Dockindo Perkasa, namely ship maintenance and repair, requires skill, tenacity and good accuracy. So that in the future, apart from carrying out repairs and maintenance, we can also produce ships in large shapes which can support the company to stand out more among companies of the same type.

The company needs to pay attention to employee maintenance. Employee maintenance or employee retention (employee retention) is the company's ability to retain potential employees the company has to remain loyal to the company. But in general, the relationship between employee retention on performance can be complex. Program development employee retention must be an important component for the company. If employee retention bad, then it will improve employee turnover which negatively impacts customer service, work production standards and profitability (Dessler in Nurmiati Muchlis Mursalim Umar Gani 2017). The term retention is related to the term turnover (turnover) which means the process by which employees leave the organization and must be replaced (Mathis and Jackson, 2009).

According to Kaye & Jordan (2001) Employee maintenance must receive serious attention. If employee maintenance is not paid enough attention, employee morale, attitudes and loyalty will decrease. Maintenance is an effort to maintain and/or improve the physical, mental and attitude conditions of employees so that they remain loyal and work productively to support the achievement of institutional goals. This was emphasized again by Steyaert & Janssens (2009), arguing that employee retention or employee retention is the institution's ability to retain potential employees owned by the institution to remain loyal to the institution.

The following is data on the number of permanent and contract employees at PT. Bengkalis Dockindo Perkasa:

Table 1. Data on the number of employees of PT. Bengkalis Dockindo Perkasa

Year	Contract employees (person)	Permanent employees (people)	Number of people)
2020	42	66	108
2021	39	64	103
2022	45	61	106

Source: PT. Dockindo Perkasa 2023

From the table above, it is known that in 2022 there will be 45 contract employees and 61 permanent employees. The number of employees is 106 people consisting of 8 office employees and the remaining 98 people are production employees.

Apart from maintenance, employee work commitment to the company is also low. Organizational commitment is one of the dominant factors for employee retention in an organization. It can be seen that the number of permanent employees at PT. Bengkalis Dockindo Perkasa declines every year. This shows that the level of desire to work longer in the company has little room for each individual. And it can be seen that the number of contract employees is fluctuating and will increase in 2022. This situation indicates that organizational commitment among employees is still low.

From the results of observations, it is known that there are several employees in the company, the low level of employee commitment is caused by the large number of employees who have worked for a long time but are still on contract. Then, it can be seen that the number of permanent employees is decreasing every year. Apart from that, the reason for the low commitment of employees is that they feel they are not fully part of the company so that the employee's sense of hard work in achieving company goals is lacking. Besides that, some employees are of productive age so they often think about looking for other alternative jobs. This shows an indication of low commitment due to the lack of desire that employees have to stay in the company.

According to Ilham Akhsanu Ridlo (2012) in his book that there are several influencing factors *turnover* one of them is ties to the organization. Mobley, et, al, in Iham Akhsanu Ridlo (2012) states that the factors that cause employees to move from their workplace are job satisfaction and organizational commitment. So are statements Griffith in Ilham Akhsanu Ridlo (2012) almost all models *turnover intention to leave* caused by low organizational commitment and job satisfaction. New research by Ni Luh Tara Widayanti and Made Dian Agustina (2022), Alfian Wahyu Fahrul and Juhaeti (2022) related to organizational commitment has a negative and significant effect on *turnover intention* employee. This means that the higher a person's attachment to his company, the less likely he will have the intention to change jobs and companies, and vice versa.

Here's the data Labor Turnover number of production employees at PT. Bengkalis Dockindo Perkasa.

Table 2. Data Labour Turnover PT employees. BDP

Year	Number of Employees (people)	LTO (%)
2020	108	9
2021	103	9
2022	106	8

Source: PT. Bengkalis Dockindo Perkasa, 2023

Based on the table above, it shows that the employee turnover rate at PT. Bengkalis Dockindo Perkasa occurred the same from 2020 to 2021 and experienced a decline in 2022. The number of employees is 106 people consisting of 8 office employees and the remaining 98 people are production employees.

In 2020, the percentage of employees leaving will be 9%. in 2021, the percentage of employees leaving will be 9%. Furthermore, in 2022 it will be 8%. Maier in Pristianti 2015, stated that the level *turnover* It is said to be high if it reaches 5% or even more. This can be interpreted as the employee turnover rate at PT. Bengkalis Dockindo Perkasa is high and needs to be anticipated so that there is no further increase in employee turnover.

Seeing real production work requires energy. Management in this small area still requires a lot of physical assistance in operating the company. Sometimes companies also need additional assistance to help with completion during the work process. Of course, this will reduce the company's efficiency in terms of costs because they use outside workers other than their own employees.

Every company expects a level *turnover* low number of employees because it can guarantee the stability of the work process so that the company can maintain and retain employees. To obtain quality employees requires a lot of time and money. Companies will become more effective and efficient if they can retain employees to continue working. The work will be completed more quickly by old employees, because if the company recruits new employees, it will require time for training and cause inefficiencies in terms of costs.

Despite the problems turnover sounds very classic, but it is still interesting to research again because the dynamics of change faced by companies continue to occur. As does the research that presents it gap research done by Resha Dwi Khotimah et al (2019) states that organizational commitment has a positive effect on turnover intention insignificantly. Meanwhile, research Ni Luh Tara Widyanti and Made Dian Agustina states that organizational commitment has a negative effect on turnover intention. Then, the research results from Febriyantoro and Mohamad Trio (2023) states that employee retention has a negative effect on turnover intention. As well as research results Widya Nindi Pratiwi, et al (2020) states that employee retention has a positive effect on turnover intention.

From the description above, the researcher is interested in examining the variables above and wants to prove whether they will be the same as the results of previous research so that a title can be proposed "The Influence of Organizational Commitment and Employee Retention on *Turnover Intention* Production Department Employees at PT. Bengkalis Dockindo Perkasa".

Research purposes

Based on the description of the background above, the aim of the research carried out was to examine the effect of organizational commitment and employee retention on *turnover intention* production employee at PT. Bengkalis Dockindo Perkasa in Sungai Siput Village.

LITERATURE REVIEW

Turnover Intention

Turnover In the English dictionary it has the Indonesian meaning, namely change. According to M. Ardan and Achmad Jaelani: 2021 in his book turnover is the resignation of an employee from his place of work voluntarily of his own free will. According to Rosyad (2017) in the research of Koko Valentino Supriad et al (2021), turnover can take the form of resignation, movement out of an organizational unit, dismissal or death of an organizational member. Different from turnover intention which can be interpreted as a person's desire to stop working for a company (leave). The same according to According to Mobley in research by Krisna Satya Cahyana and Sowanya Ardi Prahara (2020) that turnover intention is the determination that a person has to stop being a member of an organization.

McElroy et al. in M. Ardan and Achmad Jaelani (2021) said basically turnover intention is an employee's desire to move from one workplace to another. Another opinion from Tett & Meyer in (Juliana, 2018) quoted

again by (M. Ardan and Achmad Jaelani, 2021) that turnover intention is a person's conscious and planned desire or desire to leave the organization.

Several opinions above, it can be concluded that *turnover intention* is something that is still a desire and intention and has not yet occurred to move or leave an organization.

Influencing factors turnover intention

(Nurmiati Muchlis and Mursalim Umar Gani: 2017) Common things that influence employee turnover are wages and benefits, recognition and prospects, working conditions, work design, employment relationships, performance, agreements, promotion and selection, expectations, supervision and ineffective management.

Organizational Commitment

Luthans in Edy Sutrisno (2020) states that organizational commitment is a strong desire to become a member of a group, a high level of effort to organize, and a certain belief and acceptance of the values and goals of the organization. Whereas Jewell and Siegall (1998) states that organizational commitment can be defined as the degree of relationship an individual views himself with his work in a particular organization.

The definition of organizational commitment is concluded by Edy Sutrisno (2020) in his book, commitment is an attitude of employee loyalty towards their organization and is also a process of expressing their attention and participation towards the organization.

Factors that influence organizational commitment

1. Education level

Educational level is one of the factors that influences employee organizational commitment. This educational level is related to the career level and salary expected by employees.

2. Position

A person's position in the workplace is a factor that influences organizational commitment. The higher or better the position at work, the lower a person's organizational commitment.

3. Personality

Organizational commitment can also be determined by personal characteristics. These personal characteristics can be formed from the individual's internal and external factors.

Employee Retention

According to Nurmiati Muchlis Mursalim Umar Gani (2017) in his book, employee retention or Employee Retention is the company's ability to retain potential employees the company has to remain loyal to the company.

Retention is an important element of an organization's approach to talent management more generally, defined by Looockwood in Nurmiati Muchlis Mursalim Umar Gani (2017) as the implementation of an integrated strategy or system designed to increase work productivity by developing processes to attract, develop, retain, and utilize people with the skills and talents needed to meet current and future business needs. Whereas Huber (2012), emphasizes that retention is the act of nurturing or retaining.

From the opinions above, it can be concluded that employees are invisible and very valuable assets for the company. Employee retention is an effort made by the company to retain potential employees so that they remain highly loyal and can last as long as possible.

Factors that influence employee retention

1. Organizational Components

2. Organizational Career Opportunities

3. Award

4. Task and Job Plan

5. Employee Relations

Research Hypothesis

The hypotheses in this research are:

1. The influence of organizational commitment on turnover intention

Research on the Srinadi Market Cooperative shows that organizational commitment has a negative and significant effect on employee turnover intention of the Srinadi Market Cooperative Klungkung. Based on this, the following hypothesis is formulated:

Ha: It is suspected that organizational commitment has a partial effect on turnover intention production employees of PT. Bengkalis Dockindo Perkasa.

2. The effect of employee retention on turnover intention

Retention is an important element of an organization's approach to talent management more generally, defined as the implementation of an integrated strategy or system designed to increase work productivity by developing processes for attracting, developing, retaining, and utilizing people with the required skills and talents. to meet current and future business needs.

The results of research at PT. JASAPOWER INDONESIA shows that employee retention influence on Turnover Intention at PT. Jaspower. Based on this, the following hypothesis is formulated:

Ha: It is suspected that employee retention has a partial effect on turnover intention production employees of PT. Bengkalis Dockindo Perkasa.

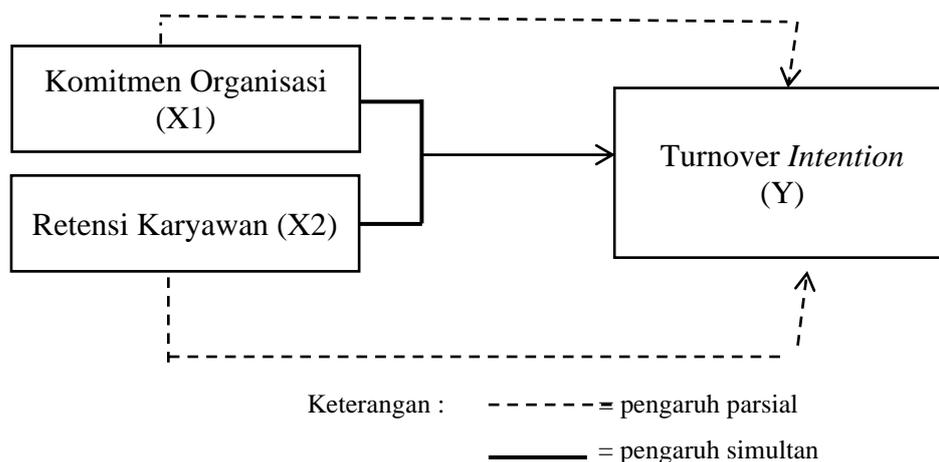
3. The influence of organizational commitment and employee retention on turnover intention

In accordance with several previous research results with related variables, the researcher's hypothesis is as follows.

Ha: It is suspected that organizational commitment and employee retention have a simultaneous negative effect on turnover intention production employees of PT. Bengkalis Dockindo Perkasa.

From the explanation and description above, the research model is described as follows:

Research Framework



H1: It is suspected that organizational commitment has a partial effect on turnover intention.

H2: It is suspected that employee retention has a partial effect on turnover intention.

H3: It is suspected that organizational commitment and employee retention have a negative effect simultaneously on turnover intention.

RESEARCH METHODS

This research uses an associative quantitative research approach. Quantitative research is research that produces data in the form of numbers or summarized qualitative data (Sugiyono, 2017). Associative research is research that aims to understand the relationship between two or more variables. Compared with descriptive and comparative research, this research has the highest level because this research can establish theories that can explain, predict and control symptoms (Sugiyono, 2017). The types of data used are quantitative data and qualitative data.

In this research, the dependent variable is turnover intention and the independent variables consist of organizational commitment and employee retention. The population in this study were all employees of PT. Bengkalis Dockindo Perkasa production department, totaling 98 people. Based on the existing population, the sample taken was 98 people. The sampling technique used in this research was sampling saturation (census). The analysis technique used in this research uses a multiple linear regression test to measure the magnitude of the influence of organizational commitment and employee retention on turnover intention.

The type of data for this research is primary data using a questionnaire instrument. The questionnaire contains questions about organizational commitment and employee retention *turnover intention*. The questions asked used a Likert scale. Apart from primary data, secondary data is also used, namely data that is already available, such as company data and previous research.

RESULTS AND DISCUSSION

Results

Multiple Linear Regression Analysis

Multiple linear regression analysis was carried out to determine the functional relationship between variables *dependent* (*turnover intention*) with variables *independent* (organizational commitment and employee retention).

Table 3. Results of Multiple Linear Regression Analysis

		Coefficients ^a			
		Unstandardized Coefficients		Standardized Coefficients	
Model		B	Std. Error	Beta	t Sig.
1	(Constant)	33,450	2,970		11,263 ,000
	organizational commitment	-,232	,093	-,255	-2,493 ,014
	employee retention	-,119	,054	-,224	-2,189 ,031

a. Dependent Variable: turnover intention

Based on the table, it can be seen that the beta (B) value of each variable in the Unstandardized Coefficients column shows a negative value, namely organizational commitment (-0.232), employee retention (-0.119). This shows that there is a unidirectional relationship between organizational commitment variables and employee retention turnover intention. The higher organizational commitment and employee retention, the lower turnover intention will be.

Hypothesis Testing

Partial significant test (T statistical test)

Table 4. Partial Significance Test Results (t test)

		Coefficients ^a				
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	33,450	2,970		11,263	,000
	organizational commitment	-,232	,093	-,255	-2,493	,014
	employee retention	-,119	,054	-,224	-2,189	,031

a. Dependent Variable: turnover intention

Based on table 4 above, it can be seen that:

T, t test calculation results $t_{count}(X1) = - (2,493) > t_{table} = 1.661$ with a significant value of $0.014 < 0.05$. So, H_a is accepted, meaning that organizational commitment has a partially significant effect on turnover intention production employee at PT. Bengkalis Dockindo Perkasa.

T, t test calculation results $t_{count}(X2) = - (2,189) > t_{table} = 1.661$ with a significant value of $0.031 < 0.05$. So, H_a is accepted, meaning that employee retention has a partially significant effect on turnover intention production employee at PT. Bengkalis Dockindo Perkasa.

Simultaneous significant test (F statistical test)

Table 5. Simultaneous Significance Test Results (F test)

		ANOVA ^a				
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	108,406	2	54,203	9,060	,000 ^b
	Residual	568,339	95	5,983		
	Total	676,745	97			

a. Dependent Variable: turnover intention

b. Predictors: (Constant), employee retention, organizational commitment

Based on the table above, it is known that the calculated F value is $9.060 >$ from F table 3.09 with sig $0.000 < 0.05$. So H_0 is rejected and H_a is accepted, meaning that there is a significant simultaneous influence between organizational commitment and employee retention *turnover intention* production employee at PT. Bengkalis Dockindo Perkasa.

Determination Test

Table 6. Coefficient of Determination Test Results

		Model Summary ^b			
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	,400 ^a	,160	,143	2,446	

a. Predictors: (Constant), employee retention, organizational commitment

b. Dependent Variable: turnover intention

From the table above, it shows that the correlation value (R) is 0.400. So, it can be concluded that there is a moderate correlation between the variables of organizational commitment and employee retention turnover intention production employee at PT. Bengkalis Dockindo Perkasa in Sungai Siput Village, Bengkalis Regency.

Discussion

The influence of organizational commitment on turnover intention

The research results support the first hypothesis that the organizational commitment variable (X1) has a partial negative effect on turnover intention production employee at PT. Bengkalis Dockindo Perkasa. This is shown by $t_{count}(X1) = - (2,493) > t_{table} = 1.661$ with a significant value of $0.014 < 0.05$, which means the research

hypothesis is accepted. The results of this research are in line with Ayuza Amalia's research which states that organizational commitment has a negative influence on turnover intention.

The influence of employee retention on turnover intention

The research results support the first hypothesis that the employee retention variable (X2) has a partial negative effect on turnover intention production employee at PT. Bengkalis Dockindo Perkasa. This is shown by the T, $t_{\text{test count}}(X2) = - (2,189) > t_{\text{table}} = 1.661$ with a significant value of $0.031 < 0.05$, which means the research hypothesis is accepted. The results of this research agree with the research of Puspita Wulan Sari, et al. which has the result that employee retention is negatively related to turnover intention.

The influence of organizational commitment and employee retention on turnover intention

After carrying out the F (Simultaneous) statistical test based on the results of the F (Simultaneous) statistical calculation, it is known that the calculated F is $9.060 >$ from the F table 3.09 with a sig of $0.000 < 0.05$. So H_0 is rejected and H_a is accepted, meaning that organizational commitment and employee retention have a significant simultaneous effect on *turnover intention* production employee at PT. Bengkalis Dockindo Perkasa.

CONCLUSION

Conclusion

Based on the results of research conducted by researchers with the title "The Influence of Organizational Commitment and Employee Retention on Turnover Intention of Production Employees at PT. Bengkalis Dockindo Perkasa in Sungai Siput Village, Bengkalis Regency", then it can be concluded that:

First, partially the Organizational Commitment variable has a negative effect on Turnover Intention. The better the organizational commitment of employees, the lower the level of desire to leave the company, in other words turnover intention The percentage level will decrease if the employee's level of work commitment is high and they have a sense of family from the company.

Second, partially the Employee Retention variable also has a negative influence on *Turnover Intention*. The better employee retention in management at the company, the level of desire to leave the company will decrease or even be non-existent.

Third, simultaneously (together) the variables of organizational commitment and employee retention have an influence *negative to turnover intention*.

Recommendation

The following are suggestions from this research: First, companies should be able to provide more support to employees to complete the work they do, because when employees feel happy with the support provided by superiors, then employees will be motivated to improve their performance and employees will stay with the company.

Second, companies should be able to provide more support regarding career opportunities and development, because when employees receive this support, employees will feel more cared for and the employee retention rate within the company will be higher.

Third, companies should pay more attention to appropriate benefits for the work they do, so that employees will remain with the company so that the company can reduce costs arising from recruiting new employees.

And finally, it is recommended for future researchers to use other companies that have more samples so as to provide more convincing results and it is recommended for future researchers to add variables that have an influence on turnover intention, such as work environment, organizational status and others.

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