THE IMPACT OF COMPENSATION AND LEADERSHIP ON THE ORGANIZATIONAL COMMITMENT AND THE IMPLICATION ON EMPLOYEE’S TURNOVER INTENTION OF PT PROVICES INDONESIA CENTRAL OFFICE

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Abstract

The purpose of this study is to understand and describe the impact of compensation and leadership on the organizational commitment and its implications on turnover intention of the main office employees at the PT Provices Indonesia. There are 52 respondents (the whole employees). Data collection was conducted by interview and questionnaire. Path analysis (by using smartPLS3.0) and matrix correlation analysis (by using SPSS24) among the variable dimensions were applied.

The study revealed that: (1) compensation and transformational leadership have no significant impact on the organizational commitment, but has a significant impact on the Turnover Intention; (2) organizational commitment has no significant impact on the turnover intention; (3) It is not proved that organizational commitment is the mediator variable of the impact of compensation and transformational leadership on turnover. Based on the analysis of matrix correlation among dimensions, to decrease turnover Intention, it is suggested to maintain and improve the following dimensions, such as; (1) indirect compensation versus planning to seek in other job; (2) transformational leadership planning to seek other job. Besides, to decrease turnover Intention: (1), the management suggests to redesign compensation, (2) doing leadership training, coaching and counseling. It is needed to ensure the convenient or comfortable environment to do the job.

Keywords: turnover intention, organizational commitment, compensation, and leadership.

Introduction

The success of an organization depends on their resource management, especially human resource management. Akio Morita (2014), the former Co-Founder of Sony Corporation said: "no matter how good or successful you are or how clever or crafty, your business and its future are in the hands of the people you hire".

In achieving the organization purpose, one of the main factors is the commitment to the organization because it gives impact to the organization performance. Commitment is not merely about the willingness of the employee to keep working in a company, but it is expected that they could work beyond their responsibilities towards the company. However, it is not an easy task to maintain the human resources. The empirical facts indicate that many other companies offer much better compensation, so the employee has more interest to work at those places. Lower commitment has a correlation with turnover intention. Therefore, the emendation of compensation and leadership could increase employee’s commitment towards the organization and it is expected that turnover intention will decrease at the end.

PT Provices Indonesia is one of a company in the field of Property Management that provides comprehensive service and solution for the clients. The turnover rate of the employee in 2015 is 17%, decrease to 13% in 2016, but increase significantly to 25% in 2017 (HRD PT PVI, 2018). Furthermore, the interview’s result proves that among 25 employees, there are 60% declared that they want to move and 72 % declared that they want to find the job in other places.

A research conducted by Jehanzeb, Rasheed and Rasheed (2013), it proves that there is a negative relationship between organizational commitment with turnover intention. It means that, the higher employee's commitment on the company, the lower their turnover intention.
Conversely, the turnover intention of the company will increase when the organization commitment becomes lower. Furthermore, the authors analyze deeper regarding the possibilities of there is an impact from the organizational commitment of PVI employee on the employee's turnover intention. Based on the organization commitment aspect, pre-survey proved that 76% of employees will still give their best effort for the company and it indicates 24% of employees have a lower commitment.

Moreover, there are two highest factors as the cause of its lower commitment to the organization, such as; 27% concerned the compensation and 17% concerned the leadership.

Based on the data and previous empirical facts the title for this research is "The Impact of Compensation and Leadership on the Organizational Commitment and the Implication on Employees' Turnover Intention of PT Provices Indonesia Central Office".

The purpose of this research is to understand and explain: (1) The impact of compensation on organization commitment; (2) The impact of compensation on turnover intention; (3) The impact of leadership on organization commitment; (4) The impact of leadership on turnover intention; (5) The impact of organization commitment on turnover intention; (6) The impact of leadership and compensation simultaneously on organization commitment; (7) The impact of compensation, leadership, and organization commitment simultaneously on turnover intention. Moreover, it also tests the validity (8) organization commitment variable as a mediator variable of compensation variable and (9) organization commitment variable as a mediator variable of leadership variable.

Review Literature

The literature review is a summary and the theories that found in the literature and related to the theme which is chosen by the authors or analyze in the research. The purpose of the literature review is to organize the research results that have been conducted before.

Turnover Intention

Turnover intention is the awareness and willingness of an individual to leave the organization permanently and seek a new job as the alternative. Turnover intention is defined as the degree to which the respondent intends to leave or stay at their organization (Green et al. 2011:375). Turnover intention related to the behavior of delaying and absence continuously that could give a negative impact on the organization (Halfhill et al. 2002:374). Based on some definitions above, the turnover intention is the willingness of an employee to leave the organization or company due to some reasons that related to the organization.

According to Dessler (2015:372), the cost due to turnover is as follows: (1) tangible cost, related to the employee that leaves the company comprised of recruitment cost, selection, interview, applicants test and salary cost when the new employees are being oriented and trained; (2) intangible cost, related to the missing productivity activities for the new employees (not that productive at the beginning), reworking cost due to new employee’s mistakes, and leadership cost to train the new employees.

According to Dessler (2015:372), the practice of human resource could give big impact on turnover and profitability of the company and he summarizes that human resource manager could give impact on turnover through as follow’s practice: (1) promotion opportunity; (2) training and developing of employee; (3) payment and retained satisfaction; (4) work-life balance policy. Furthermore, Dessler (2015:373) explained that most of the turnover is due to voluntary and to reduce the voluntary turnover we should identify the causes and then solve it. The turnover formula is total employee over the employee average in a year and times 100%.

Based on Kasmir (2016:321), the employee resign is usually due to employee's firing or their own intention. On the other hand, Mello (2006:569) said that turnover types are as follows: (1) involuntary turnover, it is due to the reduction in force; (2) voluntary turnover.

Organizational commitment

Employees' commitment to the organization will make the employee give their best effort for the organization, the place they work at, loyalty and the belongingness of the organization will encourage the employee to work maximally.

Commitment is the ability and willingness to harmonize their own behavior with the requirement, priority, and organization purpose. This matter includes the way to develop the purpose or fulfill the organization requirement in which the organization's missions become their priority rather than their own purpose (Soekidjan, 2009). Meanwhile, organization commitment is an employee as a member by involving themselves directly to achieve the company's goals (Purba, 2011). According to Wibowo (2011), the involvement of an employee in their organization will encourage the employee to keep supporting, survive, the vision and mission, and willingness to maintain their membership in the company.

Based on several definitions above, organization commitment is the willingness of an individual to be part of the company and thus encourage them to always give their best effort in achieving the organization's purpose.

Davoudi (2010) explained that an employee that has a high commitment to an organization could identify better the aims and purposes of the organization as well as stay in the organization. Sopiah (2013) said that organizational commitment could be identified from several factors, such as organization's trust and acceptance, the willingness to achieve the organization's purpose and stay in the organization.

There are five approaches that could assess the employee’s organization commitment (Lee in Solihin, 2010), those are: (a) understanding employee work value; (b) communication job performance standard; (c) linking performance to reward; (d) providing effective performance evaluations; (e) offering to support for managers and supervisory.

Organization commitment has three separate dimensions as suggested by Robbins (2008), such as (a) affective commitment, is an emotional feeling for an organization and belief in the values; (b) continuance commitment, is the economic value based on staying in the organization as a comparison with leaving the organization; (c) normative commitment, is the responsibility to survive or stay in the organization for moral or ethical reasons.

The dimensions of organization commitment according to Mayer and Allen (Luthan, 2011) in Wibowo (2017:215), are as follows: (a) Affective Commitment, it concerns the belonging of employee’s emotional with the organization and the desire to stay as organization member; (b) Continue commitment, it concerns on the commitment based on the pertinent cost with the employee that leaves the organization. It might be due to the loss of seniority for promotion or subsidy; (c) Normative Commitment, it concerns the feeling of an employee on their responsibility to stay in the organization because it is the best way to do.

Compensation

According to Hasibuan (2017:118), compensation is all the revenue in forms of money, direct or indirect things that received by the employee as retained of their services to the company. Compensation indicates the function of human resource management (HRM), a very sensitive aspect that related to work relationship, a service response that given by the company to the employee in terms of financial (salary, wages, incentive, commission, and bonus) and non-financial (financial subsidy, namely insurance and entertainment) because of work relationship (Kasmir 2016: 233; Dessler, 2015: 417; Sutrisno 2016:181).

According to Mondy and Noe in Febrindah (2012:29), compensation is consisted of: (1) Direct Compensation in forms of salary, fee, incentive, and bonus; (2) Indirect Compensation, such as (a) payment for time, not worker which is having a rest on the job, sick days, holiday, leave, and other reasons (pregnancy, accident, military leave, etc); (b) Hazard protection is a protection on the first general accident that could be in forms of: life insurance, health insurance, and accident insurance; (c) employee service, namely; recreation program, cafetaria, residence or housing, education scholarship, uniform distribution, etc; and (d) legally required payment. The society through the government has decided that a certain amount of the company expenses should be utilized for employee protection concerning about the main life danger.
Dessler (2015: 417) divides compensation into two components, those are: (1) Direct financial payment that could be offered as wages, salary, incentive, commission, and bonus, based on (a) time, manufacturing company or laborer are usually given their wages based on their working time per hour or per day. Meanwhile, an employee received the salary those for the manager, professional and administrative; (b) piecework that depends on the production that produced by the employee; (2) indirect payment is a payment in forms of subsidy or support, such as insurance or even holiday that funded by the company or organization.

Leadership

Leadership is needed in a company in order to achieve the organization purpose. The employee is demanded to follow the guidance from the leaders because they are the one that expected to be the influencer for the employee in having the same purpose with the company. If they have a different purpose, then they might face difficulties to go through the process of achieving the goals. Sondang P. Siagian (2010) defines leadership as “the ability and competence of an individual that has a position as a leader in a certain working place to influence the others' behavior”. Stephen P. Robbins (2006) stated that the effort to influence the leadership is a process to influence the organization in achieving the goals. For a leader in an organization, credibility is very important to motivate the members in order to achieve the goals.

Based on several definitions above, leadership is the ability to influence and guide the other individual or groups to achieve certain goals in a certain situation. Leadership is a social matter in which there is an interaction between the party who leads with the party who are being led to achieve the goals together by influencing, persuades, motivation, coordination.

Concerning the leadership function of a leader in an organization and to achieve the organization’s function, Stephen P. Robbins (2006) suggests several leadership functions, such as: (a) guidance provider; (b) motivator; (c) supporter; (d) decision maker; (e) controller; (f) awards provider; (g) coordination. Therefore, the better or the more effective leadership of a leader will influence the employee's performance to give a contribution to the organization and hence reduce the intention of the employee to move.

Stephen P. Robbins (2006) divides the types of leadership that usually applied in an organization, those are (1) Democratic leadership type, it is oriented to the individual and give the efficient guidance to the followers. There is work coordination with the subordinates, with the pressure on internal responsibility (own responsibility) and good cooperation.; (2) an Autocratic leadership type, that has several characteristics, namely; based on the dictionary or absolute compulsion that should be followed. The leader is usually aa a single role player; (3) Charismatic leadership type, that has the power of energy, charisma, and an extraordinary character to influence other so they have big amount of followers and reliable guardians; (4) Militaristic leadership type, is a type that usually apply the command system, strong and very authoritative; (5) Paternalistic leadership type, it is used to be identified as a fatherhood leadership with some characteristics, namely: they consider their subordinates as not really mature individual or as their own child that should be amended. This type of leadership usually protects them.

According to Robbins and Judge (2015: 262), the leadership dimension is consists of (1) Idealized influence, a leader as a good figure that people could give their respect and trustable. This idealized influence includes: (a) could express the vision and missions of the company; (b) could comfort the employee in a critical situation; (c) always give and plant the dreams and firm belief to the employee. (2) Inspirational motivation, the leader gives motivation and a clear target. Inspirational motivation includes: (a) they are able to inspire the employee through their optimist behavior enthusiastically; (b) always give motivation; (c) challenge the employee with high standard. (3) Intellectual stimulation, a leader who motivates the employee by giving new ideas (creatives), the leader also helps the subordinate to improve their ability in solving the problem by applying new techniques. (4) Individualized consideration, the leader gives personal attention to the subordinates based on the ability and their needs, listen to the complaint and inputs from them, as well advice and teach the employee on a good way.
Leader's role in a company could be maximized if all dimensions could be applied. The leaders are expected to improve the performance of the employee and thus could decrease the intention of the employee to move to other company.

**Theoretical Framework**

Some researches reveal that compensation has a positive impact on the organization commitment (Surya & Artha, 2017); Silaban and Rahmat Syah (2018). Abouria and Othman (2017), reveal that transformational leadership gives a positive impact on the level of job satisfaction and organizational commitment. Therefore, it is found that compensation and leadership have a positive impact on the organizational commitment.

Other previous researches reveal that compensation has a negative impact and significant on the turnover intention variable (Widayati & Yunia, 2018; Parashakti et al., 2017). Additionally, leadership also has an impact on turnover intention (McShane – Von Glinow. 2010: 360). Therefore, it is also found that compensation and leadership have an impact on turnover intention.

Based on the previous research, so the theoretical framework of this research is provided in figure 1.

![Theoretical framework of this research.](image)

**Hypotheses**

The hypotheses of this research are as follows:

Hypothesis 1: Compensation has an impact on organizational commitment

Hypothesis 2: Compensation has an impact on turnover intention

Hypothesis 3: Transformational Leadership has an significant impact on organizational commitment

Hypothesis 4: Transformational Leadership has a significant impact on turnover intention


Hypothesis 5: Organizational commitment has an impact on turnover intention

**Research Methodology**

This research applied the quantitative method and the data is obtained from a questionnaire, positivism approach using numbers (Arikunto 2013: 27; Sugiyono 2012: 13).

The details of the variable are measured through dimension and indicator. The number of items is provided in Table 1. The independent variable (exogenous) that measured by Likert scale are compensation (X1) and leadership (X2), while the dependent variable (endogenous) are organizational commitment (Y1) as well as mediation variable and turnover intention (Y2).

**Table 1. Variable, dimension, indicator, scale and items number of measurements**

<table>
<thead>
<tr>
<th>Variable/Dimension</th>
<th>Indicator</th>
<th>Items No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation (X1)</td>
<td>1. The employee is satisfied with the entire salary.</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>2. The employee receives the intensive appropriate with the policy.</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>3. The employee receives the bonus based on their performance.</td>
<td>3</td>
</tr>
<tr>
<td>Dessler (2015: 417), compensation is all the items that given to the employee and emerged from their work relationship.</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>1. Direct Financial Payment Dimension</td>
<td>1. The employee is satisfied with the given health insurance facility.</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>2. The employee feels secure with the guarantee of a pension fund.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. The employee feels secure with the matters pertaining to manpower (BPJS).</td>
<td>6</td>
</tr>
<tr>
<td>2. Indirect Financial Payment Dimension</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leadership (X2)</td>
<td>Robbins dan Judge (2015: 262)</td>
<td></td>
</tr>
<tr>
<td>----------------</td>
<td>-------------------------------</td>
<td>---</td>
</tr>
<tr>
<td>1. Idealized Influence</td>
<td>1. The leader could express the vision and missions of the company to the subordinates.</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>2. The leader could comfort the employee in a critical situation.</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>3. The leader always gives and plant the values, dreams, and belief to the employee.</td>
<td>9</td>
</tr>
<tr>
<td>2. Inspirational Motivation</td>
<td>1. The leader could give and inspire the employee through optimism and enthusiastic behavior.</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>2. The leader always gives motivation.</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>3. The leader challenges the subordinates with high standard.</td>
<td>12</td>
</tr>
<tr>
<td>3. Intelectual Stimulation</td>
<td>1. The leader could motivate the employee to give new ideas and suggestions (think creatively)</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>2. The leader could help the subordinates to improve the ability in solving the problems by applying new ways.</td>
<td>14</td>
</tr>
<tr>
<td>4. Individual Consideration</td>
<td>1. The leader gives personal attention to the subordinates based on their ability and needs.</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>2. The leader listens to the complaint and inputs of the subordinates.</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td>3. The leader advice and teach the employee in a good way.</td>
<td>17</td>
</tr>
<tr>
<td>5. Affective commitment</td>
<td>1. Emotional involvement with the organization.</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>2. The pleasure and pride as part of the organization.</td>
<td>19</td>
</tr>
<tr>
<td>6. Continue commitment</td>
<td>1. The disadvantage that might happen if they leave the organization.</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>2. The options of an alternative of they leave the organization.</td>
<td>21</td>
</tr>
<tr>
<td>7. Normative commitment</td>
<td>1. The moral responsibility to stay in an organization.</td>
<td>22</td>
</tr>
</tbody>
</table>
Nurfadillah, Nadia., Aima, M Havidz., Havidz, SAH (2018). The Impact Of Compensation And Leadership On The Organizational Commitment And The Implication On Employee’s Turnover Intention Of PT Provices Indonesia Central Office.

Population And Sample
The sample of this research is the entire employee population of Head office PT. Provices Indonesia with 52 people in total and all of the sample have used a sample or respondents.

Method Analysis
The data analysis employed path analysis by using SmartPLS 3.0 as the software, while the correlation matrix analysis between the dimensions is using SPSS 24 software.

Results And Discussions
The test that employed in this research is the measurement model test/outer model and structural model/inner model.

Outer Model Test
The evaluation of convergent validity from the investigation of individual item reliability could be measured from the standardized loading factor value. Standardized loading factor value describes the correlation between each measurement item (dimension) with the construct. Loading factor value that used in this research is > 0.5.
Figure 2 until figure 5 indicate the factor loading value from each dimension of a research variable. All the loading factor value indicate greater than 0.5 and hence the convergent validity is fulfilled.

**INNER MODEL TEST**

Based on the calculation result by using calculate SmartPLS 3.0 bootstrapping, it is resulted from the path coefficient and the t statistic value that describe the impact between constructs/variables as it is shown on figure 6 and 7.
Regarding Figure 6, the structural equation of this research is:

\[
\text{Organizational Commitment} = -0.022 \gamma_1 + 0.523 \gamma_2 \\
\text{Turnover Intention} = -0.34 \gamma_3 - 0.379 \gamma_4 - 0.175 \beta
\]

The value of the coefficient parameter for compensation variables (X1) to the commitment variable (Y1) is -0.022, it indicates that there is no relationship between compensation on organizational commitment. T-statistic value is about 0.091 < from t-table which is 1.96 that indicates insignificant.

The value of the coefficient parameter for leadership variable (X2) to the commitment variable (Y1) is 0.523, it indicates that there is positive impact between leadership to the organizational commitment. T-statistic value is about 0.950 < from t-table 1.96 which means insignificant.

The value of the coefficient parameter for compensation variable (X1) to the turnover intention variable (Y2) is -0.340 that indicates a negative impact between compensation to the turnover intention. T-statistic value is about 2.400 > from t table 1.96 that reveals a significant result.

The value of the coefficient parameter for leadership (X2) on the turnover intention variable (Y2) is about -0.379 that indicates a negative impact of compensation on the turnover intention. T-statistic value is about 2.664 > from the t table 1.96 indicates significant result.

The value of the coefficient parameter for the organizational commitment (Y1) on the turnover intention (Y2) for about -0.175 that indicates there is no impact of commitment on the turnover intention. T-statistic value is about 0.684 < from t-table 1.96 that indicates insignificant.

### CORRELATION ANALYSIS BETWEEN DIMENSIONS

<table>
<thead>
<tr>
<th>Dimension Variable</th>
<th>KORG (Y1)</th>
<th>TOI (Y2)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Y1.1</td>
<td>Y1.2</td>
</tr>
<tr>
<td>Compensation (X1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Direct compensation</td>
<td>.474**</td>
<td>.606**</td>
</tr>
<tr>
<td>2. Indirect compensation</td>
<td>.582**</td>
<td>.566**</td>
</tr>
<tr>
<td>Leadership</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transformational (X2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Ideal influence</td>
<td>.508**</td>
<td>.674**</td>
</tr>
<tr>
<td>2. Inspirational motivation</td>
<td>.613**</td>
<td>.478*</td>
</tr>
<tr>
<td>3. Intellectual simulation</td>
<td>.538*</td>
<td>.650*</td>
</tr>
<tr>
<td>4. Individual consideration</td>
<td>.486**</td>
<td>.602**</td>
</tr>
</tbody>
</table>

In terms of compensation to the organizational commitment, the highest dimension correlation is direct compensation to the dimension of continue commitment, for about 0.606. Meanwhile, the lowest dimension correlation in this variable is the dimension of direct compensation to the normative commitment, for about 0.404. Compensation variable to the turnover intention, the most important dimension correlation is indirect compensation to the voluntary turnover dimension, for about -0.529. It is concluded that the correlation between two variables is negative and significant.

In terms of transformational leadership to the organizational commitment, the most important dimension correlation is an ideal influence to the dimension of continue commitment, for about 0.674. Meanwhile, the lowest dimension correlation in this variable is individual dimension consideration to the normative commitment, for about 0.113. In terms of transformational leadership to the turnover intention, the highest dimension correlation is inspirational motivation to the dimension of involuntary turnover for about 0.587.

In terms of organizational commitment to the turnover intention, the highest dimension correlation is affective commitment to the involuntary turnover for about 0.876.

Discussion

The impact of compensation on the organizational commitment. Based on the research result, it reveals that compensation has no impact to the organizational commitment. It has a different result with the research of Silaban and Rahmat Syah (2018), that indicates the higher compensation that received by an employee could increase the organizational commitment. This case could be studied further for the future researches to re-examine the impact of compensation on the organizational commitment.

The impact of transformational leadership on the organizational commitment. The result reveals that compensation has no impact on the organizational commitment. It has a different result with the previous research that conducted by Abouria and Othman (2017) that revealed regarding transformational leadership has a positive impact on the level of job satisfaction and organizational commitment of employee. On the other words, even though a good enough leadership, it does not mean that this factor could highly consider for the employee to have higher commitment.

The impact of compensation on the turnover intention. The result reveals that compensation has a negative significant impact on the turnover intention. It agrees with the result of Widayati and Yunia (2016). When the compensation does not really satisfy the employee, the turnover intention of the employee will become higher. This result goes along with the phenomenon that happened in the main office of PT PVI. Most of the employee resign is due to the dissatisfaction of compensation that they receive. The company management should reconsider the level of compensation that should be given to the employee because the higher turnover could produce a higher expense for the company.

The impact of leadership on the turnover intention. The result reveals that leadership has a negative impact and significant on the turnover intention. This result agrees with the research of Ni Kadek Novalia (2015). It means that, a good leadership style could push the employee’s intention to resign from the company.
The impact of organizational commitment on the turnover intention. Based on the research result, it is found that organizational commitment has a negative impact significantly on the turnover intention. It goes along with the research result of Saeed et al. (2014). When the organizational commitment of the employee is quite low, so the turnover intention to leave the company will be higher.

Direct effect of compensation is -0.34, while indirect effect is 0.009. Meanwhile, direct effect of transformational leadership is -0.379, while indirect effect is 0.09. It means, organization commitment is not as mediator variable, both to the compensation and transformational leadership.

Conclusion

Compensation has no impact on the organizational commitment as well as transformational leadership has no impact on the organizational commitment. Compensation and transformational leadership have no impact simultaneously on the organizational commitment. Compensation has negative and significant on the turnover intention. Transformational leadership has negative impact and significant to the turnover intention. Organizational commitment as the mediator variables in this research has a negative and significant impact on the turnover intention of the employee at PT PVI.

Recommendation

The turnover intention is highly influenced by the compensation that received by the employee and the transformational leadership role. The company management should re-consider the composition of the compensation that will be received by the employee based on their performance and employee’s contribution to the target or the company’s goal. Besides, the existence of transformational leadership is needed to improve the convenient of the employee during their working time, thus there will be no turnover intention. All the leaders could be given leadership training as well as coaching and counseling. Based on that training, it could be implemented to the team in order to achieve the higher motivation to survive and improve better performance in achieving company’s goal.

References


