

Work Stress Job Satisfaction And Turnover Intention Case Study On Regional Development Banks In Southern Sumatera

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Work Stress, Job Satisfaction, And Turnover Intention: Case Study On Regional Development Banks In Southern Sumatera

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Abstract: This study aimed to determine the influence of work stress and job satisfaction on employee turnover intention. The population in this study was 3,084 people at the Regional Development Bank in Southern Sumatera. By using the Slovin formula and the Proportional Stratified Random Sampling sampling method, it was found that the number of respondents who were respondents was 354 people. Variables were measured using instruments in the form of questionnaires distributed to respondents, where as many as 300 respondents returned the questionnaire. The results showed that work stress had a positive influence on employee turnover intention. The results of the study also show that job satisfaction had a negative influence on employee turnover intention.

Keywords: Work stress, Job satisfaction, Turnover intention, Regional Development Banks.

1 INTRODUCTION

Some banks in Indonesia have decreased the number of employees in 2016 (Laucereno, 2017). This phenomenon does not only occur in Commercial Banks, but also in Regional Development Banks in Indonesia, including in the Southern Sumatera Region. Southern Sumatera Region has four Regional Development Banks, namely: Jambi, Bengkulu, South Sumatera, Bangka Belitung, and Lampung Regional Development Banks. According to data from the Annual Report of the Regional Development Bank in Southern Sumatera (2017), information was obtained that of the four BPDs in Southern Sumatera, three of them experienced a decrease in the number of employees. This shows that the phenomenon of the decline in the number of bank employees in Indonesia in 2016 was also experienced by the BPD in Southern Sumatera.[1][2]

One factor that causes a reduction in the number of employees in the banking industry is employee turnover. The high level of employee turnover will increase the risk of loss of potential employees in an organization, especially turnover intentions caused by the desires of the employees themselves. Turnover intentions from employees have been an important issue for management for years (Chen, Lin & Lien, 2010) and become a big problem for organizations in the present. Turnover intention can be influenced by various aspects, including work stress (Duraisingam, Pidd & Roche, 2009; Arshadi & Damiri, 2013; Lu Y et al., 2017) and job satisfaction (Simone, Planta & Cicotto, 2013; Tnay et al., 2013; Youcef, Ahmed & Ahmed, 2016).[3][4][5][6]

This study aimed to determine the effect of work stress and job satisfaction on employee turnover intentions at Regional Development Banks in Southern Sumatera. Research on the propositions of the variables in this study is still quite limited in number, especially in the analysis unit of the Regional Development Bank.[7][8][9][10]

2. LITERATURE REVIEW

Theory of Organizational Equilibrium.

Organizational equilibrium theory is proposed by Barnard (1970). Organizational equilibrium theory suggests that an employee will continue to work for the organization as long as the incentives provided by the organization are met such as a

satisfying situation for employees, good working conditions, appropriate workloads, opportunities to advance equal to or greater than the employee's contribution, time, and efforts required by the organization (Wirawan, 2015). Good working conditions and the appropriate workload will lead to employee job satisfaction. If these things tend to be ignored by the organization, it can lead to employee turnover intentions which results in actual turnover behavior.

Turnover Intention.

Tett & Meyer (1993) defined turnover intention as an awareness to look for other alternatives in other organizations. Jacobs & Roodt (2007) suggested that turnover intention is a mental decision that applies between individual approaches concerning work to continue or leave work. Turnover intention is closely related to employee turnover behavior (Boles et al., 2007). Turnover intention is a direct pioneer of actual employee turnover behavior. One form of turnover intention is the desire of employees to stop. Landau & Hammer (1986) measured the desire of employees to stop by indicators of the seriousness of employees who have the desire to leave the organization, the desire and activeness of employees looking for other jobs that are better.

Work Stress.[11]

Work stress refers to psychological, physical and behavioral responses to work-related demands during a discrete or short-term period (Dollard, Winefield, & Winefield, 2003). Job stress is defined as the reaction of employees to characteristics in the workplace that appear threatening mentally and physically (Jamal, 2005). High levels of work stress can make employees unhealthy, unmotivated, less productive, and less safe at work (Arshadi & Damiri, 2013).[12]

Robbins & Judge (2007) defined work stress as a dynamic condition in which a person is confronted with opportunities, barriers, or demands that relate to what he wants and for that success turns out to be uncertain. Robbins & Judge (2007) divided three types of consequences caused by work stress:

- a. Physiological Symptoms
- b. Stress creates diseases in the body that are characterized by increased blood pressure, headaches, palpitations, even heart disease.
- c. Psychological Symptoms
- d. The symptoms shown are tension, anxiety, irritability,

boredom, procrastination and so forth. This kind of stress can trigger dissatisfaction.

- e. Behavioral Symptoms
- f. Stress associated with behavior can include changes in productivity, presence, and the level of out of work. Other impacts caused are changes in daily habits such as eating, alcohol consumption, sleep disorders, and others.

Work stress also increases employee turnover intentions (Duraisingam, Pidd & Roche, 2009; Arshadi & Damiri, 2013; Lu Y et al., 2017). Shukla & Srivastava (2016) measured work stress by dividing it into four dimensions, namely the scale of work stress, conflict of work expectations, support of coworkers, and work-life balance.

Job Satisfaction.

Job satisfaction is defined as how people like or dislike their work (Spector, 1997). Newstrom & Davis (2001) suggested that job satisfaction is a feeling of being happy or unhappy about one's work. Vroom (1964) stated that job satisfaction is an assessment of workers, namely how far the overall work satisfies their needs. Job satisfaction has a negative effect on employee turnover intentions (Simone, Planta & Cicotta, 2013; Tnay et al., 2013; Youcef, Ahmed & Ahmed, 2016). Smith, Kendall & Hullin (1969) measured job satisfaction by using the Job Descriptive Index (JDI) which includes satisfaction with the work itself, salary, supervisor supervision, coworkers, and promotion opportunities.

Research Model and Hypothesis

The research model is illustrated in Figure 1. below:

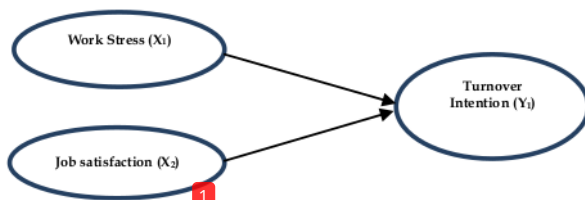


Figure 1. Research Model

Based on the literature review, the hypotheses of this study are:

1. Work stress has a positive influence on employee turnover intention at Regional Development Banks in Southern Sumatra.
2. Job satisfaction has a negative influence on employee turnover intention at Regional Development Banks in Southern Sumatra.

3. METHODOLOGY

Population and Sample

The population in this study were all permanent employees at the Regional Development Bank in Southern Sumatra Regional consisting of four banks, namely the Bengkulu Bank, Lampung Bank, Jambi Bank, and the South Sumatra Babel Bank. The number of permanent employee population is 3,084 people. The number of samples will be taken using the Slovin method, as follows:

$$n = \frac{N}{1 + Ne^2}$$

With $e = 10\%$ and a population of 3,084 employees, the number of samples taken:

$$n = \frac{3.084}{1 + 3.084 (0.05)^2}$$

$$= 354 \text{ employees}$$

So, the number of samples to be taken in this study were 354 employees. The sampling technique used was sample determination with proportional stratified random sampling.

Variable Measurement

The instruments used to measure research variables are as follows:

1. **Work stress:** The instrument used to measure work stress was a questionnaire developed by Shukla & Srivastava (2016) which consists of the following dimensions: the scale of work stress, conflict of work expectations, coworker support, and work-life balance. The questionnaire consisted of 15 statements measured by using a five-point Likert scale (1-5).
2. **Job satisfaction:** The instrument used to measure job satisfaction was a questionnaire developed from the Job Description Index (Smith, Kendall, & Hullin, 1969) which consists of the following dimensions: satisfaction with work, salary, opportunities for promotion, supervision, and coworkers. The questionnaire consisted of 20 statements measured by using a five-point Likert scale (1-5).
3. **Turnover intention:** The instrument used to measure turnover intentions was a questionnaire developed by Landau & Hammer (1986) which consists of dimensions of desire to resign. The questionnaire consisted of 12 statements measured by using a five-point Likert scale (1-5).

4. RESULT AND DISCUSSION

The number of respondents who returned the questionnaire were 300 people or 85% of the 354 respondents, with details as follows:

Table 1. Number of Respondents Who Returned The Questionnaire.

No	Province	Number of Respondents
1.	Bengkulu	47
2.	Lampung	57
3.	Jambi	46
4.	South Sumatera and Bangka Belitung	150
Total		300

Source: Processed primary data (2018).

The next step is to test the research instrument which consists of validity and reliability tests. Validity test was performed to test the validity of each item statement in measuring the variable. Valid is if the questions on a questionnaire can reveal something measured by the questionnaire. Testing the validity of this research was performed by correlating the scores of each statement (per item) addressed to respondents with the total score (overall items). Correlation technique used in the validity test was the product moment correlation technique from Karl Pearson. If the coefficient of per item correlation is greater than r table, it can be concluded that the item

statement is a valid construct.

Table 2. Validity test results of work stress instruments (SK)

Question Item	Pearson Correlation	R-table value	Remark
Work Stress 1	0.491	0.114	Valid
Work Stress 2	0.628	0.114	Valid
Work Stress 3	0.495	0.114	Valid
Work Stress 4	0.255	0.114	Valid
Work stress 5	0.530	0.114	Valid
Work stress 6	0.573	0.114	Valid
Work stress 7	0.592	0.114	Valid
Work stress 8	0.151	0.114	Valid
Work stress 9	0.411	0.114	Valid
Work stress 10	0.522	0.114	Valid
Work stress 11	0.408	0.114	Valid
Work stress 13	0.494	0.114	Valid
Work stress 14	0.154	0.114	Valid
Work stress 15	0.506	0.114	Valid

Source: Processed primary data, 2018

Table 3. Validity test results of job satisfaction instrument (KK)

Question Item	Pearson Correlation	R-table value	Remark
Job satisfaction 1	0.338	0.114	Valid
Job satisfaction 2	0.156	0.114	Valid
Job satisfaction 3	0.442	0.114	Valid
Job satisfaction 4	0.256	0.114	Valid
Job satisfaction 5	0.471	0.114	Valid
Job satisfaction 6	0.345	0.114	Valid
Job satisfaction 7	0.432	0.114	Valid
Job satisfaction 8	0.379	0.114	Valid
Job satisfaction 9	0.478	0.114	Valid
Job satisfaction 10	0.491	0.114	Valid
Job satisfaction 11	0.531	0.114	Valid
Job satisfaction 12	0.278	0.114	Valid
Job satisfaction 13	0.518	0.114	Valid
Job satisfaction 14	0.517	0.114	Valid
Job satisfaction 15	0.451	0.114	Valid
Job satisfaction 16	0.307	0.114	Valid
Job satisfaction 17	0.440	0.114	Valid
Job satisfaction 18	0.493	0.114	Valid
Job satisfaction 19	0.459	0.114	Valid

Source: Processed primary data, 2018

Table 4. Validity test results of turnover intention (ITO)

Question item	Pearson Correlation	R-table value	Remark
Turnover intention 1	0.778	0.114	Valid
Turnover intention 2	0.714	0.114	Valid
Turnover intention 3	0.704	0.114	Valid
Turnover intention 4	0.753	0.114	Valid
Turnover intention 5	0.830	0.114	Valid
Turnover intention 6	0.702	0.114	Valid
Turnover intention 7	0.777	0.114	Valid
Turnover intention 8	0.647	0.114	Valid
Turnover intention 9	0.796	0.114	Valid
Turnover intention 10	0.753	0.114	Valid
Turnover intention 11	0.681	0.114	Valid
Turnover intention 12	0.695	0.114	Valid

Source: Processed primary data, 2018

Table 9 shows that all instruments used to measure variables in this study are valid. The next step is to perform testing of the research instrument. The reliability test was performed to test whether the instrument used is reliable. The instrument is said to be reliable if the value of Cronbach's Alpha from each item in the questionnaire question is greater than 0.6. Table 5 presents the results of the instrument reliability test for the variables in this study.

Table 5. Reliability test results of instruments

No	Variable	Cronbach's Alpha value	Remark
1	Work stress (SK)	0.709	Reliable
2	Job satisfaction (KK)	0.686	Reliable
3	Turnover intention (ITO)	0.771	Reliable

Source: Processed primary data, 2018

Table 5 shows that all instruments used to measure variables in this study are reliable. After analyzing the validity and reliability of the instruments, the next step is to analyze the hypothesis test based on the results of the research obtained from data processing. The relationship between variables is significant if the value of Critical Ratio (CR) is greater than ± 1.96 or the significance value of P is smaller than 0.05. Table 13 presents the results of the regression weight test to find out the direct relationship between variables.

Table 6. Results of Regression Weight Test: (Group number 1 - Default model).

		Estimate	S.E.	C.R.	P	Label
ITO <-- SK		.359	.064	5.643	***	
ITO <-- KK		-.053	.048	-1.102	.271	

Source: Processed Primary Data, 2018

Based on Table 6, it can be seen that:

1. Work stress had a positive and significant influence on Turnover intention, where the Critical Ratio value is 5.643 > 1.96.
2. Job satisfaction had a negative but not significant influence on Turnover intention, where the Critical Ratio value is -1.102 < 1.96.

On the results of the first hypothesis test which states work stress has a positive influence on employee turnover intention at the Regional Development Bank in Southern Sumatra. These results indicate that work stress at a moderate level can affect the employee's desire to leave the organization. This supports the results of the Duraisingam, Pidd & Roche (2009) study with the research title The Impact of Work Stress and Job satisfaction on Turnover Intention that obtained results which showed that a significant predictor that led to increased turnover intention was the low job satisfaction, high work stress, low social support in the workplace, and a negative attitude towards remuneration. While the research conducted by Lu Y et al., (2017), showed the results that Job satisfaction directly had a negative effect on turnover intention. While work stress and work-family conflict directly or indirectly had a positive influence on turnover intention. The condition of work stress can refer to psychological, physical and behavioral responses to work-related demands during a discrete or short-term period (Dollard, Winefield, & Winefield, 2003). Work stress is defined as the reaction of employees to characteristics in the workplace that appear threatening mentally and physically (Jamal, 2005). High levels of work stress can make employees unhealthy, unmotivated, less productive, and less safe at work. High levels of work stress can make employees unhealthy, unmotivated, less productive, and less safe at work (Arshadi & Damiri, 2013). The results of testing the second hypothesis which states Job satisfaction has a negative effect on the Turnover intention of employees at Regional Development Banks in Southern Sumatra. These results support the organization's equilibrium theory proposed by Barnard (1970), where employees will survive in an organization if employees feel satisfaction in working. Organizations must fulfill the factors that can improve employee job satisfaction. These results also support previous research conducted by Simone, Planta & Cicotto (2017) where Job satisfaction, Work Involvement, Self Success, and Agent Capacity negatively affect turnover intention. Tnay et al. (2013) also had a research with the results shows that Job satisfaction had a negative and significant effect on turnover intention, while organizational commitment does not have a significant relationship to turnover intention; Whereas Youcef, Ahmed & Ahmed, (2016) the results of their research showed that Job satisfaction directly had a negative and significant effect on turnover intention, while Job satisfaction indirectly through the Organizational Commitment variable and the Desire to Survive have a negative and significant effect on

turnover intention. According to Smith, Kendall & Hullin (1969) to measure job satisfaction by using the Job Descriptive Index (JDI) which includes satisfaction with the job itself, salary, opportunities for promotion, supervision, and coworkers.

5. CONCLUSION

Based on the results of research and discussions that have been conducted, it can be concluded that this study proves empirically that work stress had a positive influence on employee turnover intention at the Regional Development Bank in Southern Sumatra. The results also show that job satisfaction had a negative influence on employee turnover intention. This research is expected to be a reference for other researchers who are interested in the factors that influence employee turnover intention. This study has limitations in terms of the number of provinces that are the unit of analysis and respondents. Future research is expected to involve more industrial fields, as well as increase the number of other variables.

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