

MINIMIZING TURNOVER INTENTION STRATEGY: The Role of Transformational Leadership, Intrinsic Motivation, and Job Satisfaction

Azizah Siti Daeli

Universitas Pramita, Indonesia
Azizah08009@gmail.com

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ABSTRACT

The high turnover intention rate in the current work environment poses a serious challenge for organizations. Therefore, this study aims to investigate effective strategies to minimize turnover intention, focusing on the role of transformational leadership, intrinsic motivation, and job satisfaction. The research aims to explore the relationships between transformational leadership, intrinsic motivation, job satisfaction, and turnover intention. With a deep understanding of these factors, concrete strategies to reduce turnover intention in the workplace are expected to be identified. The study employs a quantitative approach through surveys and statistical analysis to collect and analyze data from respondents who are members of organizations. The research instruments include measurement scales for transformational leadership, intrinsic motivation, job satisfaction, and turnover intention. Data analysis reveals significant findings regarding the positive relationship between transformational leadership and intrinsic motivation with job satisfaction. Furthermore, job satisfaction is found to be negatively correlated with turnover intention. The practical implications of these findings underscore the need for organizations to adopt transformational leadership styles and enhance intrinsic motivation among employees to increase job satisfaction and decrease the intention to switch jobs.

Keywords: Transformational Leadership, Intrinsic Motivation, Job Satisfaction, Turnover Intention, Organization

INTRODUCTION

The role of PT. Eka Mas Republik, particularly the human resources division, is crucial in ensuring the smooth operation of the company. The company requires high-quality human resources to develop its business. Human resource management is influenced by various factors, including minimal product understanding, insufficient skills, inadequate work systems, non-standardized work procedures, and frequently changing company policies. Additionally, internal factors such as leadership style, intrinsic motivation, and job satisfaction contribute significantly to employee

fulfillment. Poor management of these internal factors often leads to employees' desire to leave the organization.

The company's performance is determined by the conditions and behaviors of its employees. Employee behaviors, such as the desire to switch jobs, can disrupt a company's otherwise good performance. High turnover rates can result in various potential costs, including invested training costs, sacrificed performance levels, and recruitment and retraining expenses. Employee turnover can hinder the achievement of the company's goals.

Although employee turnover is generally viewed negatively, it can also have positive impacts, especially when low-performing employees leave. The departure of old employees and the introduction of new ones can bring in fresh ideas, experiences, and skills. Therefore, turnover intention is a crucial aspect that companies need to address by ensuring employee satisfaction, a positive work environment, and well-being, along with a strong organizational culture.

In facing the high turnover rate, PT. Eka Mas Republik has observed that many employees are dissatisfied with their work for various reasons. Leadership practices, especially those of Direct Sales Supervisors, have been identified as lacking significant impact, with supervisors not providing effective examples or motivation for quality marketing. This indicates a need for improved managerial skills and leadership training for Direct Sales Supervisors.

The situation is exacerbated by the COVID-19 pandemic, which caught many unprepared. The government's instructions for home-based activities and social distancing have disrupted the economy and business activities. Marketing has become challenging due to social distancing measures, causing demotivation among marketers. This presents a new problem in the current year, with a large business target (150% achievement) leading to underperformance by many employees, driven by low morale due to overwhelming targets and the pandemic.

From the human resource perspective, a high number of underperforming employees is an undesirable phenomenon. Addressing this requires careful consideration of reward and punishment. In the current abnormal conditions, rewards should be given thoughtfully, considering the difficulty in achieving company targets.

Punishments, if necessary, should undergo a clear screening process, taking into account the pandemic situation.

This study concludes that the given targets lack adjustment, and the reduction of rewards is attributed to the company's decreased revenue due to the pandemic. Imbalanced company targets, coupled with unrealistic expectations regarding rights and responsibilities, lead employees to consider leaving the organization for opportunities in similar companies with more realistic expectations.

THEORETICAL BASIS

Turnover Intention

Turnover intention, or the desire to change jobs, is an individual's wish to seek better employment and leave their current job. The desire to switch jobs differs from actual turnover but carries a similar meaning. Employees who want to leave their current job may not always be able to do so due to a lack of capability to secure a new job or fear of ending up with a worse job than before (Marwan, 2022). However, it is important to note that not all employees with the intention to switch jobs can execute it. Reasons may include the inability to find a new job, fear of getting a worse job than the current one, or emotional attachment to the current job and colleagues.

The desire to change jobs may arise when employees feel dissatisfied with the work environment, compensation received, or opportunities for career development (Ramadhiansyah, et al., 2022). Research on turnover intention can help organizations identify issues and factors that cause employees to have the desire to switch. By understanding the reasons behind this desire, organizations can take steps to improve employee satisfaction and well-being, thereby reducing turnover rates and retaining high-potential employees.

Transformational Leadership Style

According to (Munandar & Prayekti, 2021), transformational leadership is an individual's ability to work with and/or through others to optimally transform organizational resources to achieve meaningful goals in line with established targets. Transformational leadership emphasizes the leader's ability to inspire, motivate, and empower organization members to achieve higher performance and larger goals.

Transformational leaders usually have a strong vision and can communicate it clearly to organization members.

They also encourage creativity and innovation, providing support and opportunities for the development of organizational members (Fahrian, et al., 2022). Through transformational leadership, leaders act as positive change agents within the organization. They encourage members to surpass existing boundaries, think creatively, and work together to achieve more ambitious goals. Thus, transformational leadership focuses on improving organizational quality and achieving long-term success that is meaningful and significant.

Intrinsic Motivation

Intrinsic motivation, according to (Srutiningsih, et al., 2022), is behavior based on the belief that one should have behavior not based on rules, norms, and principles, and without the desire to receive rewards. Intrinsic motivation is a type of motivation that arises from within oneself, based on self-originating desires without considering external rules, norms, or rewards. In this context, individuals engage in a behavior or action because they feel it is right or beneficial for them personally, not because of external pressure or incentives. In intrinsic motivation, individuals are driven to do something because they find intrinsic value in the action itself.

For example, they may feel joy, interest, or a sense of personal achievement when engaging in a specific activity, even without external rewards or praise from others (Fathiyah, et al., 2022). This concept differs from extrinsic motivation, where individuals perform an action because there are expected external rewards or consequences. Intrinsic motivation tends to be more sustainable and provides deeper psychological satisfaction because the action becomes personally meaningful and satisfying for the individual.

Job Satisfaction

Job satisfaction is fundamentally an individualistic concept. Each individual has a different level of satisfaction based on their value system. One relevant theoretical model related to job satisfaction is proposed by (Sari & Yuniawan, 2021). Job satisfaction is the level of satisfaction or contentment felt by an individual regarding their job or the work environment in which they operate. Each individual has a different level of satisfaction because job satisfaction is individualistic, depending on the values,

expectations, preferences, and personal experiences of each individual (Komariah, et al., 2021).

Overall, job satisfaction is a complex and individual concept, influenced by various unique factors possessed by each individual, including the value system they adhere to. Specific theoretical models can help understand the factors influencing job satisfaction, but further clarification is needed to better understand the context and implications (Sari, 2022).

METHOD

From the perspective of the approach taken, this research is a quantitative study. Quantitative research methods can be interpreted as research methods based on positivist philosophy, used to investigate a specific population or sample. The sampling technique is generally done randomly, and data collection is performed using research instruments. Data analysis is quantitative or statistical in nature, with the aim of testing predetermined hypotheses. The population in this study, based on data obtained from PT Eka Mas Republik Tangerang branch in 2020, consists of 150 employees, comprising 135 staff, 13 supervisors, and 2 managers. The sampling technique used in this research is purpose sampling, with a sample of 109 staff members at PT. Eka Mas Republik Tangerang. The data analysis technique in this research employs multiple linear regression, coefficient of determination test, and hypothesis testing. By using a combination of these three data analysis techniques, the study can identify the relationships between variables and the extent to which these variables influence the variable under investigation.

RESULT

Analysis of the Influence of Transformational Leadership Style (X1) on Turnover Intention (Y)

The influence of Transformational Leadership Style (X1) on Turnover Intention (Y), based on data analysis, indicates that the regression coefficients found between Transformational Leadership Style (X1) and Turnover Intention (Y) are $Y = 21.393 + 0.379X_1$. This result can be concluded that there is a positive relationship between Transformational Leadership Style (X1) and Turnover Intention (Y). The constant =

21.393 means that without Transformational Leadership Style (X1), the Turnover Intention value is 21.393 units. The regression coefficient = 0.379 means that if Transformational Leadership Style (X1) is increased by one unit, Turnover Intention (Y) will increase by 0.379.

The coefficient of determination between Transformational Leadership Style (X1) and Turnover Intention (Y) is R Square 0.302, meaning that Transformational Leadership Style (X1) contributes to Turnover Intention (Y) by 30.2%. The remaining 69.8% is influenced by other variables not included in this research regression model. This indicates that there are still other variables outside Transformational Leadership Style that affect employees' tendency to move or quit their jobs.

Partial hypothesis testing can be concluded that the t-value is greater than the t-table ($2.583 > 1.659$), with a significance level of 0.011 because the significance level is less than 0.05. This proves that H_0 is rejected, and H_1 is accepted, indicating that Transformational Leadership Style has a positive and significant effect on Turnover Intention. In this study, Transformational Leadership Style has a significant positive influence on the tendency to move or quit the job (Turnover Intention). This significant influence indicates the importance of the role of transformational leadership style in reducing employees' tendency to leave their jobs.

Analysis of the Influence of Intrinsic Motivation (X2) on Turnover Intention (Y)

The influence of Intrinsic Motivation (X2) on Turnover Intention (Y), based on data analysis, indicates that the regression coefficients found between Intrinsic Motivation (X2) and Turnover Intention (Y) are $Y = 26.401 + 0.319X_2$. This result can be concluded that there is a positive relationship between Intrinsic Motivation (X2) and Turnover Intention (Y). The constant = 26.401 means that without Intrinsic Motivation (X2), the Turnover Intention value is 26.401 units. The regression coefficient = 0.319 means that if Intrinsic Motivation (X2) is increased by one unit, Turnover Intention (Y) will increase by 0.319.

The coefficient of determination between Intrinsic Motivation (X2) and Turnover Intention (Y) is R Square 0.299, meaning that Intrinsic Motivation (X2) contributes to Turnover Intention (Y) by 29.9%. The remaining 70.1% is influenced by other variables not included in this research regression model. This indicates that there are still other

variables outside Intrinsic Motivation that affect employees' tendency to move or quit their jobs.

Partial hypothesis testing can be concluded that the t-value is greater than the t-table ($3.210 > 1.659$), with a significance level of 0.002 because the significance level is less than 0.05. This proves that H_0 is rejected, and H_1 is accepted, indicating that Intrinsic Motivation has a positive and significant effect on Turnover Intention. In this study, Intrinsic Motivation has a significant positive influence on the tendency to move or quit the job (Turnover Intention). This significant influence indicates the importance of intrinsic motivation factors in influencing employees' decisions to stay in the job.

Analysis of the Influence of Job Satisfaction (X3) on Turnover Intention (Y)

The influence of Job Satisfaction (X3) on Turnover Intention (Y), based on data analysis, indicates that the regression coefficients found between Job Satisfaction (X3) and Turnover Intention (Y) are $Y = 20.430 + 0.454X_3$. This result can be concluded that there is a positive relationship between Job Satisfaction (X3) and Turnover Intention (Y). The constant = 20.430 means that without Job Satisfaction (X3), the Turnover Intention value is 20.430 units. The regression coefficient = 0.454 means that if Job Satisfaction (X3) is increased by one unit, Turnover Intention (Y) will increase by 0.454.

The coefficient of determination between Job Satisfaction (X3) and Turnover Intention (Y) is R Square 0.308, meaning that Job Satisfaction (X3) contributes to Turnover Intention (Y) by 30.8%. The remaining 69.2% is influenced by other variables not included in this research regression model. This indicates that there are still other variables outside Job Satisfaction that affect employees' tendency to move or quit their jobs.

Partial hypothesis testing can be concluded that the t-value is greater than the t-table ($1.937 > 1.659$), with a significance level of 0.055 because the significance level is greater than 0.05. This proves that H_0 is rejected, and H_1 is accepted, indicating that Job Satisfaction has a positive and not significant effect on Turnover Intention. In this study, although there is a positive influence between Job Satisfaction and the tendency to move or quit the job (Turnover Intention), this influence is not statistically significant. In this context, it means that the Job Satisfaction variable may play a role in

influencing Turnover Intention, but its influence is likely relatively small and influenced by other factors not examined in this study.

CONCLUSION

Based on the research findings and discussions regarding the influence of Transformational Leadership Style, Intrinsic Motivation, and Job Satisfaction on Turnover Intention in employees of PT. Eka Mas Republik - Tangerang, the following conclusions can be drawn. According to the hypothesis test simultaneously between Transformational Leadership Style (X1), Intrinsic Motivation (X2), and Job Satisfaction (X3) on Turnover Intention (Y), based on the research results, the significance level is 0.000. Since the significance level is less than 0.05, this proves that H0 is rejected and H4 is accepted. This indicates that Transformational Leadership Style, Intrinsic Motivation, and Job Satisfaction have a positive and significant impact on Turnover Intention.

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