

CHAPTER I

INTRODUCTION

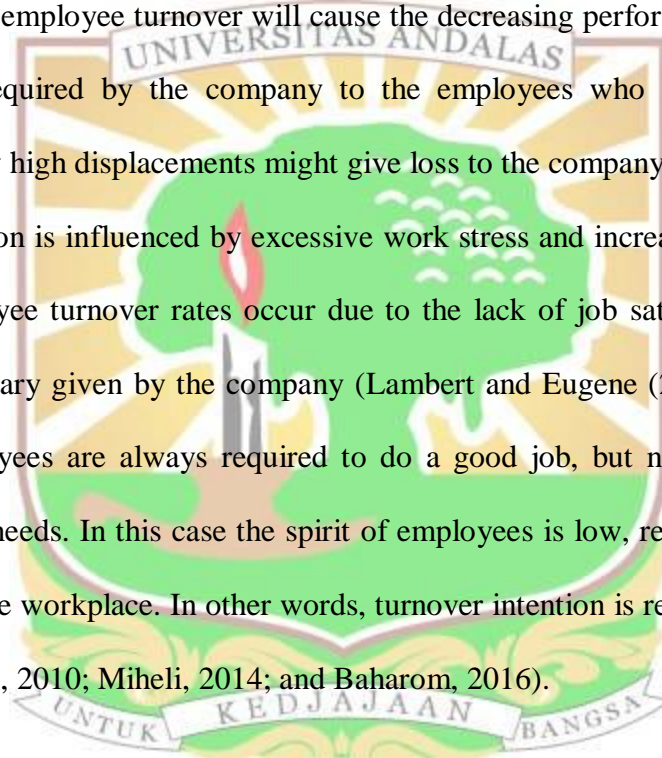
1.1 Background of the Study

Human resources act as a driver in every company, they are the determinant of sustainability and contribute to the achievement of corporate goals effectively and efficiently. Considering this reason, the company requires reliable and qualified human resources. Therefore, company need to manage and pay attention to the human resources as well as possible. One of the problems caused by poor human resource management is the turnover intention. The negative impact of turnover intention on company is the quality and ability to replace employees who leave the company, so it takes a long time and costly to recruit new employees (Waspodo et al., 2013).

Increasing economic growth, inter-company competition is also felt increasingly stringent in providing the best service, rapid environmental changes require organizations to continue to innovate in order to continue to exist in order to achieve organizational goals. There are various ways to do by company included improving the quality of human resources, therefore changes made indirectly have an effect on every person in the company. Organizations are required to be able to respond quickly to various changes, the role of employees is crucial to the success or failure of the company's efforts to achieve its objectives. It is necessary to manage employees well in order to make a positive contribution to the company. High-skilled employees can be used as an asset of the company competitive advantage. The companies must be able to pay attention to problems and desires of employees, and to keep the employees working according to the expectations. However, it is not done directly which effect on job stress. It leads to employee

intentions to change work (turnover intention) organizational development today encountered a problem in terms of employee turnover.

Some studies and theories explain that turnover intention refers to the intentions of employees to find another job. For example, when the employees are not satisfied with their jobs and organizations do not have trust in their employees the employee's intention towards turnover will be greater, they will leave the organization and the duration of their job will be smaller (Jeffrey, 2007). High employee turnover will cause the decreasing performance on the company. Employee shift is required by the company to the employees who have low productivity. However, excessively high displacements might give loss to the company (Yuliansia et al, 2012). High turnover intention is influenced by excessive work stress and increasing work demands. In addition, high employee turnover rates occur due to the lack of job satisfaction, including the satisfaction of the salary given by the company (Lambert and Eugene (2008), and Arshadi and Hojat (2013). Employees are always required to do a good job, but not accompanied by the impetus of financial needs. In this case the spirit of employees is low, resulting in the discharge of employees from the workplace. In other words, turnover intention is related to job satisfaction (Ahsan, 2009; Halkos, 2010; Miheli, 2014; and Baharom, 2016).



A research by Aydogdu and Asikgil (2011) also enlightens that the cause of employee turnover is organizational commitment. Employees with high commitment to the company goals have low turnover rates. In other words, they want to advance the company. Conversely, low employee's commitment raises the high desire of employees to leave the company. Thus, based on their research findings it is known that organizational commitment contributes to the employees' willingness to stay, move, or leave the company.

Turnover is a crucial issue in the organizations. In the world of tough competition, the organizations try to minimize their turnover ratio and save their cost. Turnover cost consists of hiring, recruiting and selecting the employees. Saeed et al, (2014). Turnover intention is a serious issue especially today in which employee leaves the organization or organization fired them. Turnover intention is the organization's employees plan to leave their jobs or to fire the employees.

The current research is purported to exam the determining turnover intention in the context of hotel industry in Padang. The high annual turnover rate is a case where companies find it difficult to develop employee retention programs. Retention program according to Mathis (2006), is a program owned by a company to retain potential employees owned by the company to remain loyal to the company. The purpose of the company is to retain employees who are considered qualified from the company at the will of the employee itself. In the model, factors influence turnover intention include job stress, job satisfaction, and organizational commitment. Organizational commitment is viewed as mediating variable of both job stress and job satisfaction towards turnover intention. (See figure 2.1).

1.2 Problem Statement

Based on the description from the background, the problems in this study can be identified as outlined in the research question as follows:

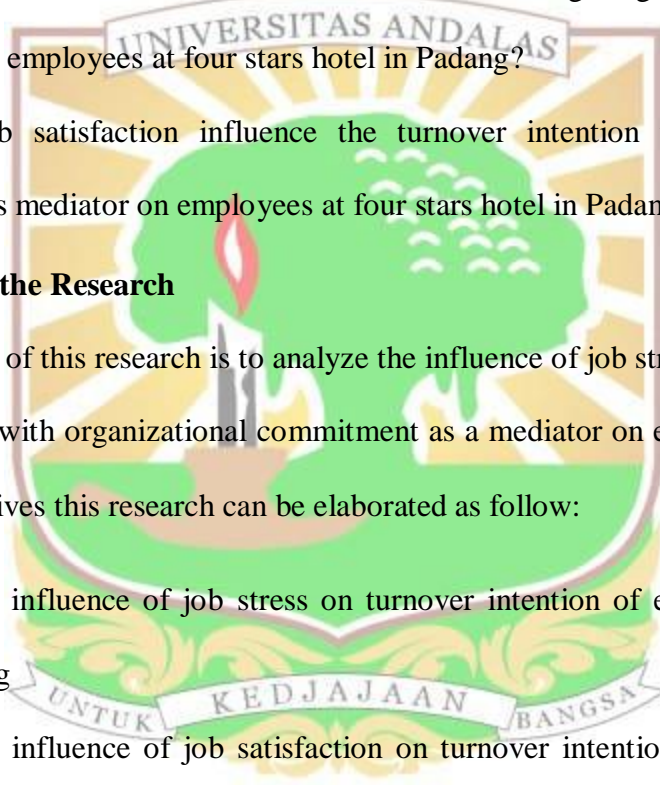
1. How does the job stress influence on turnover intention of employees at four stars hotel in Padang?
2. How does the job satisfaction influence on turnover intention of employees at four stars hotel in Padang?

3. How does the job stress influence on organizational commitment of employees at four stars hotel in Padang?
4. How does the job satisfaction influence on organizational commitment of employees at four stars hotel in Padang?
5. How does the organizational commitment influence on turnover intention at four stars hotel in Padang?
6. How does job stress influence the turnover intention through organizational commitment as mediator on employees at four stars hotel in Padang?
7. How does job satisfaction influence the turnover intention through organizational commitment as mediator on employees at four stars hotel in Padang?

1.3 Objectives of the Research

The objectives of this research is to analyze the influence of job stress and job satisfaction on turnover intention with organizational commitment as a mediator on employee of four hotels in Padang. The objectives this research can be elaborated as follow:

1. Determine the influence of job stress on turnover intention of employees at four stars hotel in Padang
2. Determine the influence of job satisfaction on turnover intention on employees of the employee at four stars hotel in Padang
3. Determine the influence of job stress on organizational commitment of the employee at four stars hotel in Padang
4. Determine the influence of job satisfaction on organizational commitment of the employee at four stars hotel in Padang



5. Determine the influence of organizational commitment on turnover intention of the employee at four stars hotel in Padang
6. Determine the influence of job stress on turnover intention through organizational commitment as mediator of the employee at four stars hotel in Padang
7. Determine the influence of job satisfaction on turnover intention through organizational commitment as mediator of the employee at four stars hotel in Padang

1.4 Contributions of the Research

This study is expected to give contribution to the influence of job stress and job satisfaction on turnover intention with organizational commitment as a mediator in four star hotels in Padang.

1. The results of this study are expected to determining attitudinal factors of four star hotels in Padang.
2. The result is to strengthen the theory and concept related to turnover intention in hotel industry.
3. This research can be used as study material in increasing knowledge in the field of human resources, especially regarding job satisfaction, job stress and turn over intention which is more comprehensive with more satisfied objects.
4. To research can be used to solve turnover intention issues as the references for further research.

1.5 Scope of the Research

In the process of this research, there will be some limitation that need to be considered in terms of the variable and object of the research. The researcher limits the research context by focusing to employee who work at four star hotels in Kota Padang.

1.6 Research Outline

In order to make it easier and make moderate the forwarding of content, this research is divided into five chapter, as following:

Chapter I INTRODUCTION TO THE STUDY

Chapter which contain the background of the research, the problem statement, the objectives of the research, the contributions of the research, the scope of the research, and ended with the structure of writing.

Chapter II REVIEW OF THE LITERATURE

This chapter explained about all theories that are related to this research. Theories used include concept of turnover intention, consequences of turnover intention, concept of organizational commitment, component of organizational commitment, concept of job stress, factors of job stress, impact of job stress organization, concept of job satisfaction, factors of job satisfaction, and impact of job satisfaction in organization. Also in this chapter will be provided with review of previous study, hypothesis development and conceptual framework that will become guidelines in data processing.

Chapter III RESEARCH METHODOLOGY

This chapter explained about the research design, population and sample, data collection technique, variables and measurement, and also data analysis method used for testify the hypothesis.

Chapter IV RESULTS AND ANALYSIS

This chapter explained about the result extracted from the research questionnaire, respondent description, and data analysis method for testify the hypothesis.

Chapter V CONCLUSION

This chapter contained the conclusion of the conducted research, the implication of the research, the limitation of the research and suggestion.

