

Analysis of the Influence of Organizational Justice and Organizational Support on Turnover Intention with Employee Engagement as Mediation Variables in Contract Employees in RSUD Padang Pariaman

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Abstract

This study aims to determine and analyze the influence of perceptions of organizational support and organizational justice on employee engagement turnover intention as a mediating variable in contract employees in Padang Pariaman Regional General Hospital. This research is an exploratory research with quantitative methods. The sampling technique was carried out by census method, with a sample of 84 contract employees. This study uses Partial Least Squares-Structural Equations Modeling (PLS-SEM) with the smart PLS 3 program. The results showed that the perception of organizational support has a negative but not significant effect on turnover intention. Perceptions of organizational support have a positive and significant effect on employee engagement. negative and significant towards employee turnover intention Organizational justice has a positive but insignificant effect on employee engagement, employee engagement has a negative and significant effect on turnover intention and employee engagement not as a mediating variable between perceptions of organizational support and organizational justice on contract employees in Padang Pariaman Hospital.

Keywords: Turnover Intention, Employee Engagement, Perceptions of Organizational Support, and Organizational Justice

Introduction

The Hospital will provide optimal health services if supported by quality human resources. For that hospital needs to invest in Human Resource Management (HRM), because HR is the main aspect that supports the smooth running of a business or company to carry out its vision and mission. One of the HR investments that can be done by hospitals is to carry out HRM functions, starting from recruitment, selection to retaining human resources.

Human resources are called Civil Servants (PNS) and Government Employees with the Use of Contracts (PPPK). Related to the definition of PPPK itself as stated in Law Number 5 Year 2014 article 1 paragraph 4 which reads "Government Employees with Work Agreements hereinafter abbreviated as PPPK, is an Indonesian citizen who fulfills certain conditions, who is appointed based on a work agreement for a certain period of time in order to carry out governmental duties". (Saputro, 2012: 10). So PPPK is an employee needed by a government agency with a work agreement period of more than one year. Based on the above, the PPPK or commonly referred to as contract employees cannot just go in and out of an organization because contract employees are bound by work agreements so that the desire to turnover will be lower.

However, an analysis conducted by Hay Group and the Center of Economics and Business Research shows that workers around the world have started looking for new job opportunities along with the increase in the labor market, this is seen in the global turnover and number of employees within a few years starting from from 2010 to 2018 which can be seen in Figure 1.1 below.

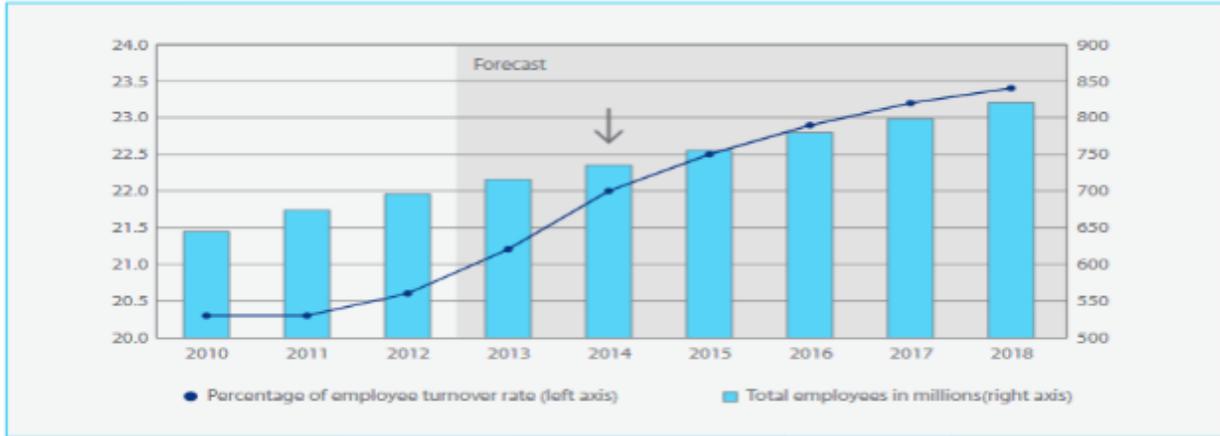


Figure 1.1
Global Turnover and Number Of Employees

From the figure it can be seen that the percentage of employees coming out in the next eight years is predicted to increase and the peak of the increase will occur in 2014 at 22% compared to 2012 at only 20.6% and continue to increase in 2017 and 2018 at 23, 2% and 23.4%. This is quite worrying for the company because the employees who come out are an obstacle for the company and its position must be replaced and the company loses when paying additional costs to find replacements for employees who leave or stop, so that it will disrupt the stability of the company. Therefore the company must have employees who are emotionally committed to the organization and have no intention to leave the organization.

Furthermore, if viewed in the scope of the State, Indonesia is ranked third with a high voluntary turnover rate while the first rank is occupied by India. Following is the State Voluntary Turnover level data from the Hay Group survey in 2017.

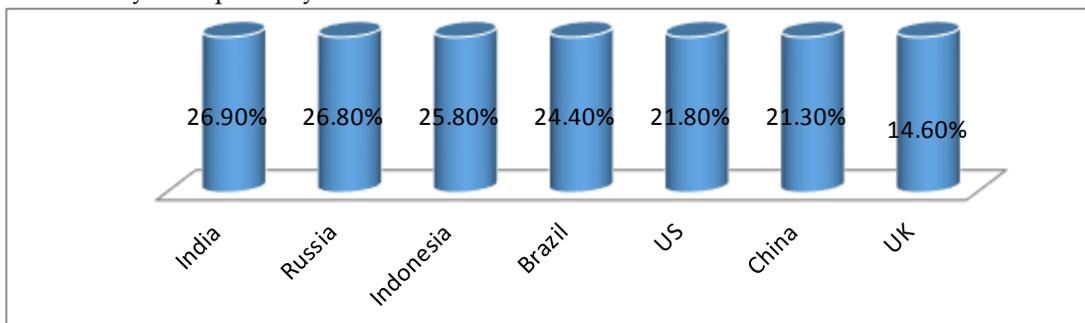


Figure 1.2
Voluntary Turnover Level in Country Scope

Based on the picture on voluntary turnover in Indonesia, it was 25.8% higher compared to Brazil (24.4%), US (21.8%), China (21.3%), and the UK (14.6%), The reason for the high turnover in the country of Indonesia is 1) salary, facilities and bonuses given are not in accordance with the workload, 2) slow career level, and 3) are not satisfied with the work system and process adopted by the company.

The same thing was released in the job portal, jobs DB Indonesia, this survey was part of the jobs DB campaign entitled Happy is a Better Job which was held in May 2016 and involved 2,324 respondents in

Indonesia with diverse occupations and career levels. The survey results show that as many as 80% of respondents want to change jobs in the next year. Salaries, incentives and bonuses are the motivation to resign and look for new jobs. While as many as 65% of respondents also stated their decision to change jobs gave new enthusiasm which led to increased productivity in work. The survey also showed 73% of respondents felt unhappy with their current jobs. In addition to those who claimed to be unhappy, 72% of respondents felt happy with their work. They claimed to be satisfied and comfortable at work. In addition, they also establish good relationships with co-workers and their superiors. (www.swa.co.id).

From the introduction above, the research objective is to find out and analyze:

1. The influence of perceptions of organizational support on turnover intention on contract employees in Padang Pariaman Hospital.
2. The influence of perceptions of organizational support on employee engagement on contract employees in RSUD Padang Pariaman.
3. Effect of organizational justice on turnover intention on contract employees in Padang Pariaman Regional General Hospital.
4. The influence of organizational justice on employee engagement on contract employees in Padang Pariaman Regional General Hospital.
5. The effect of employee engagement on turnover intention on contract employees in Padang Pariaman Hospital.
6. The influence of perceived organizational support on employee engagement turnover intention as a mediating variable in contract employees in Padang Pariaman Regional General Hospital.
7. The influence of organizational justice on employee engagement turnover intention as a mediating variable in contract employees in Padang Hospital.

The benefits to be obtained in this study are divided into two parts: theoretical benefits and practical benefits.

1. Theoretical Benefits

This research is expected to sharpen the concept of turnover intention and employee engagement in human resource management learning.

2. Practical benefits

- a. For researchers

This study provides more knowledge about the real scope of human resources especially regarding organizational support, organizational justice, employee engagement and turnover intention.

- b. For readers

This research is expected to be a reference or study material for further researchers, especially those related to organizational support, organizational justice, employee engagement and turnover intention.

- c. For companies

The results of this study are expected to provide additional information or input for Padang Pariaman Regional Hospital in addressing the issue of temporary employees which include turnover intention, employee engagement, organizational support, and organizational justice.

Methods

Population and Sample

The population in this study were all contract employees in Padang Pariaman Regional General Hospital, amounting to 84 people. This research uses probability sampling technique, which is saturated census sampling or sampling in which each population element has the same probability to be selected as

a sample. This census sampling was carried out because the respondents were all members of the population who could provide information related to research conducted by researchers. Therefore, the sample in this study were all contract employees in Padang Pariaman Regional General Hospital, amounting to 84 people consisting of 35 non-health workers and 49 health workers.

Tools for Data Collection

The following scale items can be used to measure perceptions of organizational support, organizational justice, employee engagement and turnover intentions:

Perceptions of organizational support will be measured with 7 item scale developed by Putrie and Nursalim (2013). Organizational Justice will be measured with 20 item scale developed by Al-Zu'bi (2010). Employee Engagement, Utrecht work engagement scale (UWES) can be used to measure employee engagement suggested by the Schaufeli dan Bakker (2004:5) which includes 17 items on three domains such as Vigour, Dedication and Absorption. Turnover intentions will be measured with 9 item scale developed by Dwiningtyas (2015).

Data Collection Procedure

The data will be collected using structured questionnaire. The questionnaire will be personally administered by the researcher.

Statistical Analysis

In this study statistical analysis was measured using SmartPLS software. The steps of testing carried out in this study are as follows:

1. Evaluation of the Measurement Model

There are three types of testing conducted to evaluate measurement models. The types of testing are:

a. Individual Test of Reliability Items

This test is conducted to see which indicators are good to measure each variable in other words to see the reliability of each indicator.

b. Internal Consistency Test

This test is carried out to test the reliability of a set of indicators in measuring the variables measured. The value seen is the composite reliability value and cronbach's alpha obtained from the SmartPLS estimation results. Recommended values are > 0.60 .

c. Test Discriminant Validity

This test is done to see how much the differences between variables. The value seen in this test is the average variance extracted (AVE) value obtained as an estimation result where the value must be > 0.50 . The next requirement that must also be fulfilled is the square root value of AVE of each variable, must be greater than the correlation value with other variables.

2. Structural Model Evaluation

Structural Model Evaluation using R square. Changes in R square values can be used to assess the effect of certain independent latent variables on the dependent latent variables based on the research model.

3. Analysis of Direct and Indirect Influence

To do a direct influence analysis can be seen from the Bootstrapping algorithm on SmartPLS, while to see the indirect effect (mediation) then use the VAF formula popularized by Hair et al., (2010).

Result and Discussion

To test the hypothesis, where the t value (t-value) generated by running the Bootstrapping algorithm on SmartPLS is used to determine whether or not the proposed hypothesis is accepted. The hypothesis uses two tailed tests, rule of thumb 10% significance level (t statistics 1.65), 5% significance level (t statistics 1.96) and 1% significance level (t statistics 2.57). So the hypothesis is accepted when the significance level is less than 0.05 or the t-value exceeds its critical value of 1.96.

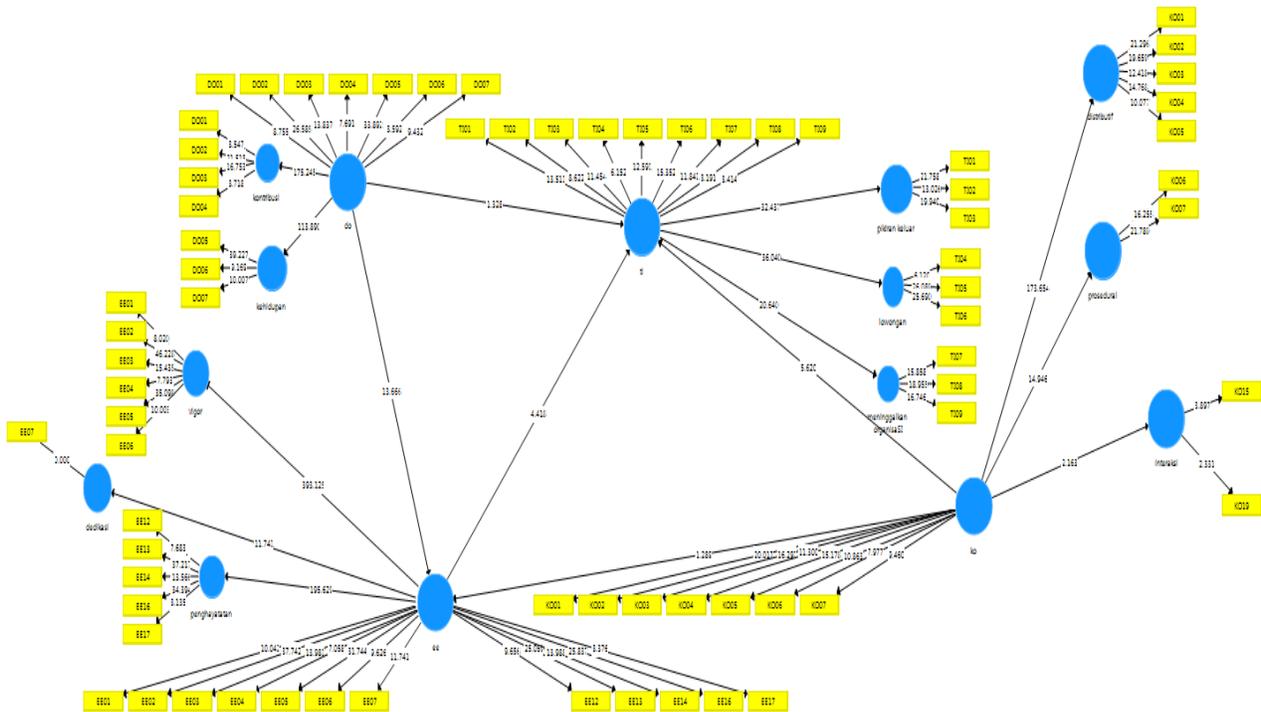


Figure 1.3
Bootstrapping results

The value of direct and indirect effects from the above image can be seen in the path coefficient table below.

Table 1.1
Path Coefficient

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Organizational support -> employee engagement	0,894	0,893	0,065	13,666	0,000
Organizational support -> turnover intention	-0,197	-0,187	0,148	1,328	0,185
Employee engagement -> turnover intention	-0,700	-0,686	0,158	4,418	0,000
Organizational justice -> employee engagement	0,088	0,089	0,068	1,289	0,198
Organizational justice -> turnover intention	-0,489	-0,492	0,087	5,620	0,000

Source: Processed Results of PLS Data, 2018

Based on the results of the analysis, it can be seen that the factors that affect turnover intention in contract employees in Padang Pariaman Hospital are the perception of organizational support and organizational justice with employee engagement as a mediating variable. Perceptions of organizational support explain the interaction of individuals with organizations that specifically study how organizations treat their employees. Padang Pariaman Regional Hospital has not provided full support for contract employees. This can be seen from contract employees who have not become part of Padang Pariaman Regional Hospital, where contract employee administration has not been arranged neatly and clearly.

Furthermore, Padang Pariaman Regional General Hospital has not supported employees who have good competence, which is seen from the lack of training and development for contract employees. So organizational support has a negative effect but not significant on turnover intention in contract employees in Padang Pariaman Regional General Hospital. This can mean that even though the Padang Pariaman Regional Hospital is badly supported by contract employees, the contract employee remains in the hospital. This is due to the difficulty of finding work, seeking work experience, and waiting for the appointment of civil servants.

Perceptions of organizational support have a positive and significant effect on employee engagement on contract employees in Padang Pariaman Regional General Hospital. This means that the high level of support provided by the organization will trigger employee engagement in their work and organization in the workplace. For example, Padang Pariaman Regional Hospital is concerned with the work of contract employees where most contract employees have good work ideas and innovations in work, contract employees who work in hospitals range between the ages of 26-30 years who are productive in working and still have enthusiasm and passionate about carrying out work.

Employee engagement is characterized as a sense of commitment, has a great desire and enthusiasm, which manifests efforts to a higher level, keeps working hard with every task difficulty, beyond what is expected and has initiative. So contract employees have a high attachment to Padang Pariaman Regional General Hospital.

Organizational justice as a level where an individual feels treated equally in the organization where he works. One form of justice provided by Padang Pariaman Regional General Hospital to contract employees is the salary level of contract employees, which is included in the fair category because the salary paid to contract employees is regulated by the regional government based on position, education, and period of employment. Organizational justice as a level where an individual feels treated equally in the organization where he works. One form of justice provided by Padang Pariaman Regional General Hospital to contract employees is the salary level of contract employees, which is included in the fair category because the salary paid to contract employees is regulated by the regional government based on position, education, and period of employment. Furthermore, the work decisions made by the leader appropriately, right here pay attention to the rights and obligations of contract employees and the leader is concerned about the rights of contract employees, which is the level of salary given fairly. So it can be concluded that organizational justice has a negative and significant effect on turnover intention in contract employees in Padang Pariaman Hospital.

When employees have a high perception of fairness in their organization, they don't necessarily feel more willing to help, it is also natural how they play their role by giving greater than higher levels of engagement. This can be seen from contract employees having a high perception of fair pay and reasonable contract employees playing their role by giving greater than higher levels of engagement. So organizational justice has a positive but insignificant effect on employee engagement on contract employees in Padang Pariaman Regional General Hospital.

Contract employees have been tied to Padang Pariaman Regional General Hospital which is characterized by the attitude of contract employees who are enthusiastic in working, passionate, passionate about work, loyal, motivated, committed, productive, have strong emotions, and loyal to the

workplace and mind to get out of the organization will be lower. This means that employee engagement has a negative and significant effect on turnover intention on contract employees in Padang Pariaman Regional General Hospital. Furthermore employee engagement is not a mediating variable between organizational support and turnover intention and organizational justice with turnover intention.

Conclusions

Based on the results of the analysis and discussion in the previous chapter, it can be concluded that:

1. Perceptions of organizational support have a negative effect but not significant on turnover intention in contract employees in Padang Pariaman Regional General Hospital.
2. Perceptions of organizational support have a positive and significant effect on employee engagement on contract employees in Padang Pariaman Regional General Hospital.
3. Organizational justice has a negative and significant effect on turnover intention on contract employees in Padang Pariaman Hospital.
4. Organizational justice has a positive but insignificant effect on employee engagement on contract employees in Padang Pariaman Regional General Hospital.
5. Employee engagement has a negative and significant effect on turnover intention on contract employees in Padang Pariaman Hospital.
6. Employee engagement does not mediate the relationship between perceptions of organizational support to turnover intention in contract employees in Padang Pariaman Regional General Hospital.
7. Employee engagement does not mediate the relationship between organizational justice and turnover intention in contract employees in Padang Pariaman Hospital.

This study has implications in the field of human resources, especially in assessing the influence of perceptions of organizational support and organizational justice on turnover intention by using employee engagement as a mediation both directly and indirectly.

1. The results of research concerning the description of perception variables of organizational support, it is known that the perception of organizational support is in the low category. This means that RSUD Padang Pariaman has not provided full support to contract employees. For this reason, Padang Pariaman Regional General Hospital must provide full support to contract employees such as making the administration of contract employees neatly and clearly and RSUD Padang Pariaman supporting employees who have good competence such as training and development for contract employees.
2. The results of the research on the description of the organizational justice variables indicate that the salary level of contract employees in RSUD Padang Pariaman is included in the fair category because the salary paid to contract employees has been regulated by the regional government based on position, education and period of employment and work decisions made by the leadership appropriately, right here paying attention to the rights and obligations of contract employees. Thus, the rights and obligations of contract employees are fair, because they have been regulated by the leadership and local government.
3. The description of the employee engagement variable shows that contract employees in the RSUD both as health and non-health personnel focus on working and forget everything around them while working so that the patient's illness can be cured and contract employees in Padang Pariaman Hospital have high morale . Thus the contract employee in Padang Pariaman Regional Hospital already has an attachment characterized by having high morale.
4. The results of the study regarding the description of turnover intention variables showed that there was a desire for contract employees to find vacancies in other agencies because the salaries in other

places were greater than Padang Pariaman Hospital and there was no career development for contract employees so there was an intention to leave Padang Hospital Pariaman. To reduce the turnover rate, Padang Pariaman Regional Hospital must measure the salary level again and make a career development for contract employees, so the turnover problem will be lower.

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