

The Effect of Employee Engagement on Turnover Intention: The Case of Golden Tulip Jineng Resort Bali Hotel

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ABSTRACT

This study aims to determine the effect of employee engagement on the turnover intention at the Golden Tulip Jineng Resort Bali. The number of samples in this study was 67 respondents using the simple random sampling method. The data was collected by distributing questionnaires using a 5-point Likert scale to measure 23 statement items. The data analysis techniques used were descriptive statistics, simple linear regression analysis, t-test, and the coefficient of determination which were processed with the SPSS version 25 for Windows program. The results of this study indicate that employee engagement contributes to the turnover intention by 66.9%, while the remaining 33.1% is influenced by other variables outside of this model. Companies are expected to provide rewards and increase incentives for high-performing employees to maintain employee engagement and can reduce employee turnover intention.

Keywords: *employee engagement, turnover intention, hotel*

1. INTRODUCTION

Employee turnover has long been the center of attention among the service industry, especially in the hotel industry and academics who research human resources. Employee turnover is something that endangers organizational performance and profitability because it is related to the loss of company resources and assets [1]. The high turnover rate has become a serious problem for a company, even some companies can experience frustration when they find out that the recruitment process they have been doing is futile when the best employees they choose prefer to move to another company. Turnover can be characterized by a condition in which an employee has the intention or desire to leave the company or what is called turnover intention [2]. Previous research has stated that turnover intention can be influenced by several factors such as wages, job satisfaction, work stress, workload & work stress, organizational commitment, and employee engagement.

One of the factors that affect turnover intention is employee engagement. Low employee engagement can also have an impact on decreasing organizational productivity, this is because employees do not feel

attached to the organization so that they do not give the best performance they have. Employee engagement is a business management concept that shows that employees have high enthusiasm for their work so that employees will try to work together for organizational achievement [1]. Employee engagement appears as an effort to develop from previous concepts, such as job satisfaction, employee commitment, and employee organizational behavior.

One way to reduce employee turnover is to increase employee engagement [1]. The concept of engagement was first introduced by Kahn. Specifically, Kahn focused her attention on how the attitude of workers in carrying out their roles and duties, and workers were psychologically present in their roles and duties in the world of work [3]. Employee engagement is an attitude shown by employees in an organization as a whole, namely by involving physical, mental or cognitive, and emotional attachments [3].

The increasing turnover intention has become a serious problem for many companies. No exception in the hospitality or hospitality business, the phenomenon of high turnover rates seems to be a crucial problem in hotels. The turnover phenomenon is also experienced by

star hotels located in the Kuta area, namely the Golden Tulip Jineng Resort. This hotel is experiencing employee turnover, which is a serious problem because it can interfere with operations, give rise to moral problems for employees who remain and damage the company's image, especially on sites and media for job search, where the impact will cause the company's performance to decline if the employee substitutes leave and it would become harder to get them.

Based on turnover data from 2015-2019, the percentage of employees leaving was high in 2018 at 61.63%, there was a decrease in 2019 by 22.88% to 38.75%. There has been a decline but is still high because in general, the turnover stated in one year should not be greater than 10% [4]. The Human Resources Coordinator mentioned the cause of the high turnover which was obtained from the results of the exit interviews. The main reasons were salary and benefits, family matters, and working conditions. The management has made efforts to increase engagement to minimize the intention of employees leaving the company by conducting various activities such as training, employee gatherings, employee outings, sports activities, community service, social service, and picnics.

The condition of the employee's attachment to the hotel there is a gap between the reality that occurs with the company's expectations. Some employees underestimate their work, such as by being less focused at work, eating during working hours, smoking at work, and sleeping during operational hours. Of course, this contradicts the regulations issued by the company, in which during working hours workers are required to be at the workplace and do their work as determined by their superiors. Besides that, the level of employee participation in the activities organized by the hotel is very low. There are more employees present in mandatory activities compared to non-mandatory activities. This indicates low employee loyalty so that employee engagement with the company is low. Based on the background described, the researcher is interested in conducting further research and examining more deeply the effect of employee engagement on the turnover intention at the Golden Tulip Jineng Resort Bali.

2. LITERATURE REVIEW

2.1. Turnover Intention

Chen and Francesco defined turnover intention as the tendency or intention of an employee to stop working and leave the company to move and work to another company, according to how often employees think of leaving an organization [5]. Turnover intention according to Tongchaiprasit & Ariyabuddhipongs [6] is thoughts of resigning from the current job, and the

tendency to consider alternative job offers. Turnover intention as the result of evaluating employees the possibility of leaving and not fulfilling their expectations of continuity in the organization [7]. Chen and Francesco in [5] stated turnover intention has three dimensions as follows:

- Thinking of quitting (thinking about leaving), employees always think about leaving their job or staying in their work environment.
- Intention to search (the desire to find other job alternatives), employees have the desire to find work with other organizations.
- Intention to quit (there is a desire to leave the company in the next few months), the employee has the determination to leave the current job and will end with the employee's decision to stay or quit his job in the coming months.

2.2. Employee Engagement

Schaufeli et al. in [5] defined employee engagement as a positive and satisfying state of mind associated with work characterized by vigor (enthusiasm), dedication, and absorption (preoccupation). Employee engagement is described as the use of organizational members in their work roles, in engagement, people employ and express themselves physically, cognitively, and emotionally during the performance role [9]. Employee engagement is a psychological presence with two critical components: attention (cognitive availability and the amount of time spent thinking about a role) and absorption (being engrossed in a role and leads to a person's focus on the intensity of role) [9]. According to Schaufeli et al. [5] employee engagement consist of three dimensions as follows:

- Vigor, characterized as a strong level of energy and mental resilience during work, a willingness to invest effort into a job and persistence even in the face of adversity
- Dedication leads to a strong involvement in a job and experiencing a sense of significance, enthusiasm, inspiration, pride, and challenge
- Absorption is characterized as full concentration and pleasure in a job, so that time is running fast and some have difficulty releasing themselves from work.

3. RESEARCH METHODOLOGY

This research is classified into associative research, which examines the effect of employee engagement on turnover intention. The population in this study is 80 employees of the Golden Tulip Jineng Resort Hotel Bali, by using Slovin formula, 67 employees were used as the research sample. The data collection techniques used in this study were questionnaires, interviews, and documentation studies. The data analysis techniques

used were validity test, reliability test, simple linear regression analysis, t-test, and determination coefficient test.

4. RESULT

Based on the characteristics of age, respondents were dominated by the age range of 21 - 30 years totaling 46 people (68.66%), followed by 13 people aged 31-40 years (19.40%), then respondents aged 41 - 50 years totaled 6 people (8.96%) and respondents aged <20 years amounted to 2 people (2.99%). In terms of gender characteristics, the number of male respondents was more than the female respondents, namely 34 people (50.75%), while the number of female respondents was 33 people (49.25%). In the latest educational characteristics, it appears that the number of respondents with the latest diploma education is the largest, namely 39 people (58.21%), followed by respondents with the latest Bachelor education amounting to 14 people (20.90%), then respondents with high school/ vocational education as many as 13 people (19.40%) then the last one was respondent with other (Masters) as many as 1 people (1.49%). Based on the characteristics of working tenure, it appears that the number of respondents with the most working tenure is in the range of 1-3 years as many as 35 people (52.24%), then with a working period of <1 year and > 4 years have the same number, namely 16 people (23.88 %).

Regarding the employee engagement variable at the Golden Tulip Jineng Resort Bali, the average value of the variables as a whole was 4.56, which was in the interval 4.21 - 5.00 in the very good category. The highest average for the employee engagement variable statement, namely 4.73, was found in the 6th statement, namely "I never give up when there are difficulties at work" and "I am proud of my current job". The lowest average statement "I feel enthusiastic when doing work" which is only 4.12 and "I focus when I'm working".

Based on the respondent's answer regarding the turnover intention variable at the Golden Tulip Jineng Resort Bali, the average value of the Turnover Intention variable as a whole is 1.67 which means that Turnover Intention is in the interval 1.00 - 1.80 with a very low category. The highest average for the Turnover Intention variable statement of 1.76 is found in the 6th statement "I leave the company when I get a job with a suitable salary", while the lowest average is in the 1st statement "I often think about leaving the company. of current work" which is equal to 1.61.

The results of simple linear regression analyzed with SPSS version 25, the constant value is 39.932 and the employee engagement regression coefficient is -0.411. Based on the results of the t-test, it was found that the t-value of employee engagement (X) was -11.451 which

was greater than the t-table, which was 1.669 with a significantly less than the α value ($0.000 < 0.05$), so H_0 was rejected and H_a was accepted. This shows that employee engagement has a significant effect on the turnover intention at the Golden Tulip Jineng Resort Bali with an error rate of 5%, 95% confidence, and 65 degrees of freedom.

Based on the results of the determination coefficient test with SPSS version 25 for Windows, the R square value is 0.669 which means that the dependent variable can be explained by the independent variable as much as 66.9% ($0.669 \times 100\%$), the remaining 33.1% ($100\% - 66.9\%$) explained by other variables which were not used in this study. According to Sugiyono (2012: 184), if the determination coefficient interval is between 60% - 79.9%, the coefficient of determination can be said to be strong. The result of the coefficient of determination in this study is 66.9%, it can be stated that the independent variable has a strong influence on the dependent variable.

5. DISCUSSION

The respondents in this study were dominated by employees with an age range of 21-30 years. Young employees are more likely to quit than older employees [10]. Older employees have lower turnover because they have family responsibilities, decreased mobility, do not want to bother changing jobs, and require them to start over again in a new workplace. Based on the results of the calculation of gender characteristics, it can be concluded that the respondents in this study were dominated by men. There are no consistent differences between men and women in problem-solving skills, analytical skills, competitive drive, motivation, sociability, or learning abilities [10]. According to [10] male employees are more likely to have turnover intentions than female employees who tend to be patient in facing their work. Cited that women have a higher turnover rate than men, especially married women, due to the big roles and responsibilities, as a housewife and as a working woman [10].

The respondents in this study mostly took their last education at the Diploma level. According to [11], employees who have a not very high level of education/intelligence will perceive a difficult job as a pressure and a source of anxiety. Employees who have a higher level of education will immediately get bored with monotonous jobs. They will look for new jobs rather than employees with limited education levels, because of their limited abilities as well. The respondents with 1-3 years of working period are the most dominant. Mobley in [12] states that turnover intention is more for new employees with a new work period because, in the first years of work, employees still find it difficult to adjust to the existing work environment and conditions. According to [10]

employees who have a service life of ≤ 3 years tend to make a turnover because the working period is less likely to look for a new challenge in their work.

The highest average for the Employee Engagement variable statement, namely 4.73, is "I never give up when there are difficulties at work" and "I am proud of the current job". Schaufeli in [13] explained that the sense of pride and unyielding inherent in employees makes it a valuable experience, always inspires, remains persistent at work, and challenges. When the employee never gives up in doing his job even though he is in trouble and always tries his best for his company and feels proud of his current job, then this can suppress his desire to leave the company. While the lowest average is "I feel enthusiastic when doing work" which is only 4.12 and "I am focus when I'm working". Saks in [14] states that employee engagement includes a sense of enthusiasm or passion and commitment that enables a person to invest and sustainably develop his business so that it can drive company success. When employees feel less enthusiastic about work and what is being carried out by management and are less focused on what they are doing, there will be desires to move from each employee.

The turnover intention variable with the highest average of 1.76, is found in the statement "I will leave the company if I get a job with an appropriate salary". According to [15] dissatisfaction with company management, working conditions, quality of supervision, rewards, salaries, promotions, and interpersonal relationships causes resignation. Andini in [16] states the reasons for looking for other alternative jobs for more satisfying results, including satisfaction with the salary received. Meanwhile, the lowest average found in the statement "I often think about quitting my current job" is 1.61. According to Zeffane in [16] states that one of the factors causing turnover intention is the individual's reaction to their job, in this case, they often think of leaving the company. If employees continuously think about leaving their work, this will have an impact on the employee's performance and then an intention will emerge to leave the company.

There was inconsistency with the data in the preliminary survey which shows that the turnover rate is high and with the tabulation data of Turnover Intention respondents which shows that the turnover intention at Golden Tulip Jineng Resort Bali is very low. This is because the turnover rate used as supporting data is data for the past 5 years and the primary data used is in the form of a questionnaire and was distributed in July 2020. Besides, before the emergence of COVID-19 in early 2020, the tourism situation in Indonesia was growing and the number of tourists visiting Indonesia was high. This makes employees want a better salary or position in another company, and then they want to leave the company. However, after Indonesia reported

the first infected case on March 2, 2020, it was suspected of contracting it from a foreigner visiting Indonesia [17]. Slowly the world of tourism is fading, especially in Bali which is feeling the impact, the hotel has started to reduce employees by being laid off or laying off employment. This phenomenon also affects the views and perceptions of employees about their work and chooses to continue working in hotels if they are still needed by the hotel. Their desire to quit their job is reduced and minimized as well by the difficulty of finding work in other hotels and many hotels have decided to close during this pandemic.

In this study, employee engagement was proven to have a negative and significant effect on the turnover intention at the Golden Tulip Jineng Resort Bali. This is evidenced by the t-test where the t-count value of employee engagement (X) is -11.451 with a significance $< \alpha = 0.000 < 0.05$. The β value of employee engagement is -0.411, meaning that if Employee Engagement has increased by one unit, while the other variables are constant, Turnover Intention will decrease by 0.411. Broadly speaking, the formulation of the problem has been answered by the hypothesis that has been proposed. Employee engagement has a strong influence on turnover intention. Based on the coefficient of determination test, the employee engagement variable has a strong contribution of 66.9% to turnover intention, and the remaining 33.1% is influenced by other variables outside this model.

The results of this study are in line with the results of research conducted by [13], [18], and [19] which states that employee engagement has a negative and significant effect on turnover intention, meaning that when employee engagement increases, it will further reduce turnover intention. This is the same as Lamidi's research in [18] which states that employee engagement can reduce the tendency to change jobs.

6. CONCLUSION

Employee Engagement (X) has a negative and significant effect on Turnover Intention (Y) at the Golden Tulip Jineng Resort Hotel Bali which can be proven by a significance value of $0.000 < 0.050$. with t-count $-11,451 > t\text{-table } -1,669$ and regression coefficient value of $-0,411$. Based on the results of the coefficient of determination analysis, Employee Engagement has an effect of 66.9% on Turnover Intention while the remaining 33.1% is influenced by other factors outside of the variables studied in this study.

Suggestions that can be given are based on the results of the questionnaire on the employee engagement variable which is considered low. Namely, employees are less enthusiastic in doing work and less focused. Hotel management should continue to implement reward programs and increase incentives for

high-performing employees. Achievements are in terms of being able to satisfy guests with the services provided. For example, if a guest gives good comments to a hotel on a digital platform such as TripAdvisor and the guest mentions the name of an employee, the employee is entitled to an award. Besides that, the results of the questionnaire regarding the characteristics of respondents based on age, with an age range of 21-30 years old, dominate the Golden Tulip Jineng Resort Hotel Bali. At that age, they are very prone to experiencing boredom which results in being unfocused and enthusiastic at work. For this reason, the hotel should make a cross-training program between departments that lasts a month, so that later employees do not feel monotonous work. This triggers employees to be more focused and enthusiastic at work. To maintain excellent employee engagement, management should continue to hold gathering activities or routine meetings, starting once every three months to every two months to build intimacy, recognize the obstacles of each employee so that they can help employees overcome their problems so that they can focus more on work and provide regular training for employees both in the topic of skills, knowledge and more on the personality and spirituality of the employees themselves.

Based on the highest average calculation of all Turnover Intention statements, it can be seen that if the employee gets a better salary offer at another hotel, then there is an opportunity for the employee to change hotels. The hotel should increase the value of the salary and provide allowances following the contributions that employees have given. Also, in implementing the payroll system, it should be done fairly, meaning that the salary paid is by competence, expertise, and work, and has a competitive value in the market. In connection with situations and conditions that are not yet conducive due to the outbreak of the COVID-19 pandemic, the advice given is expected to be able to be applied when the situation and conditions return to normal.

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