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# THE INFLUENCE OF MOTIVATION AGAINST EMPLOYEE TURNOVER: CASE PT MELATI

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**Abstract**-Rapidly changing environment requires organizations to respond quickly to these changes in order to remain in the global competition. Organizations often have to change the structure and form of organization in order to respond the environmental changes as well as internal and external pressures. In despite of pressures from internal and external environment, companies must focused on motivating their employees. With the aim of motivating their employees, the company delivers benefit to their employees. Somehow, the benefit from the company not in accordance with employee values and needs. This phenomena trigger the intention to quit from the company or employee turnover. PT. Melati is now one of the biggest National oil and gas companies in Indonesia. Of course this can not be separated from the role of employees is very important to manage and promote the company. In this situation, keep employees in order to stay motivated to work is a must for PT. Melati. There are four major factors according to the theories and exit interview, salary, advancement opportunities (career development), company benefit and job challenge. Four factors are of particular interest to understand and analyze by the writers to prove the corellation with the increase in the employee turnover rate PT. Melati. In the research, the methodology used is the quantitative methods that will give a general view about the influence of motivation with employee turnover. Questionnaire will distribute to the employee and processed by SPSS v.18. Once done with quantitative method by using SPSS program version 1.8, it can be concluded that there are two factors that affect the motivation of employee turnover and two factor motivation that have no effect on employee turnover in the case of organization of PT. Melati. Variable salary and career development are two of the most variable influenced on employee turnover. Two variables are the two main factors that affect employee turnover at PT. Melati. In other words, PT. Melati has a problem with two of these variables.

**Keywords:** PT. Melati, Motivation, Employee Turnover

#### Introduction

Rapidly changing environment requires organizations to respond quickly to these changes in order to remain in the global competition. Organizations often have to change the structure and form of organization in order to respond to organizational changes. The radical organizational changes will have an impact on every individual who is in the organization. Any individual who becomes part of an organization is required to develop and realize the full competence. Organization will utilize the competency of the individual to develop the opportunity for each individual to develop his career.

Changes in environmental conditions and in internal organizations encourage organizations to responsive and adaptive with a market environment that is full of competition. Organizations must be increasingly flexible to adapt to the competitive environment more competitively. Organizational

flexibility is determined by the resources that have the capability and high skills (knowledge assets) which makes the organization a competitive advantage so as to win the competition.

The company's success is not only supported by the structure of a good company, but also the ability of the employee and the employee motivation. Robbins and Judge (2007) defines motivation as a process that describes the intensity, direction and persistence of effort to achieve a goal. Furthermore, Samsudin (2009) provide an understanding of motivation as a process from outside influence or push against a person or group of work that they want to implement something that has been set. Motivation can also be interpreted as a thrust (driving force) is intended as a natural urge to satisfy and maintain life.

Employee motivation is supported by several things, salary, job satisfaction, benefits from the company and career development in the company. Job satisfaction is an emotional state that is not pleasant or unpleasant with which employees view their work Handoko (2001:193). Job satisfaction reflects one's feelings toward his work. Is seen in the positive attitude of employees towards work and everything encountered in their work environment. Historically, employee job satisfaction will get the job done right.

Various definitions of turnover revealed by researchers. Turnover by Novliadi (2007) is defined as the cessation of an employee from work voluntarily. Meanwhile, according to Abelson (1987) that turnover intentions can be interpreted as an individual's desire to leave the organization in and look for other employment alternatives. Therefore, according to Maertz and Campion (1998) in Samad (2006), the identification of factors that influence the intention to move (turnover intention) to be an important thing to consider and be an effective way to reduce the number of actual turnover.

High levels of turnover intention has become a serious problem for companies, even some companies experienced frustration when he learned that the recruitment process has managed to capture staff eventually turned out to be in vain because the recruited staff have chosen a job in another company (Hinkin and Tracey, 2000). With turnover rates at many companies will increasingly pose a variety of potential costs both training costs already invested in employees, the level of performance that must be sacrificed, as well as recruitment and retraining costs (Suwandi and Indriantoro, 1999).

Employee turnover is very detrimental to the company. The loss was divided into two, Direct Cost and Indirect Cost. Direct costs are associated with the loss of time and money to recruit, hire and train an employee. Indirect Cost is decrease in production and service that the company have yet to find a replacement due to the employee or recruit new employees who do not have experience (Hinkin and Tracey, 2000). Recruiting, selecting, and training new employees often spend a lots of money, because the higher the turnover rate, the higher the expenditure that will occur (Lussier, 2005).

Under the conditions described above, the phenomenon of motivation with all the variables may be associated with employee turnover. In 2012 according to Newmont Mining Company, the annual employee turnover in Indonesia shows in number by 3%. According to data from PT. Melati, in 2012 there was an increase in employee turnover that must be addressed by PT. Melati. Departing from the turnover of data, the writers want to make sure that there are causes of the increase in the employee turnover PT. Melati. To support the analysis of the relationship between these causes, the resign interview data may be supported. There are four major factors according to the pie above, salary, advancement opportunities (career development), company benefit and job challenge. Four factors are of particular interest to understand and analyze by the writers to prove the correlation with the increase in the employee turnover rate PT. Melati.

# Literature Study

#### Motivation

One of the important aspects of the company to improve or maintain the work ethic of the employees in order to remain persistent and active in working to improve or maintain productivity by providing motivation. Motivation is useful to encourage employees to work. The spirit of the workers needed a company with high spirits because employees can work with energy and effort that they have so that maximum productivity and enable the realization of the objectives to be achieved.

According to George R. and Leslie W. (in his book Matutina. et al, 1993) says that motivation is "...... getting a person to exert a high degree of effort ...." which means to make one's work more motivated achievers. While Ravianto (1986) in his book there are several factors that can affect performance motivation, the boss, colleagues, physical facilities, policies and regulations, currency exchange services, types of jobs. Motivation consists of two categories, non-financial motivations and financial motivation. Non-financial motivation can be such as rewards, praise and future career while financial motivation for salary and incentive driven.

Motivation is divided into two groups, Content and Process theory. The second group is distinguished from the two main factors that directly relate to the job as the job responsibilities and hygiene factors such as salary, benefits and work environment.

#### **Content Theories**

This theory based on human needs, satisfaction and highlights the specific factors that motivate the individuals. Several theorists, including Abraham Maslow, Frederick Herzberg, David McClelland, and Clayton Alderfer, have provided theories to help explain needs as a source of motivation.

# Abraham Maslow's Hierarchy of Needs Theory

Maslow's theory assumes that people in power are more basic needs before directing the behavior of the higher needs. Lower needs must be fulfilled before higher needs such as self-realization began to changing the person's behavior. It is important in thought that Maslow's needs theory are giving motivation from the previous needs in the hierarchy level. If a person decides that he received enough money for the work of the organization in which he works, the money does not have the power intensity again. So if one needs to reach its peak, it needs to stop being the main motivation of behavior. Then dominated the second requirement, but even when the need has been satisfied, it still affects the behavior needs only a smaller intensity.

Maslow's theory of motivation absolute manifests itself as characterized by the fulfillment of the needs of individual growth and development. The resulting behavior can be motivated by managers and directed as acting subjects. Encouragement stimulated or not, should grow as a subject that meets their individual needs that must be achieved as well as the subject to achieve the vision and mission of the organization.

# **Process Theories**

This theory seeks to every worker working in accordance with the expectations of the organization. Power plants are the hope or purpose that is sought by the workers. Some theorist such as J.S. Adam, McGregor, and Victor Vroom contributed they thoughts into several theories that knownwell today.

# J.S. Adam's Equity Theory

This theory developed by J.S. Adam was principle people would be satisfied as long as they feel there is justice (equity). A feeling of equity and inequity over a situation obtained a person by means of compare themselves with others who messmate, workmate, and elsewhere. This theory

identified elements equity includes 3 things, which is this: (i) the input, is something valuable that perceived by employees as an input against his job. (ii) Out comes, is every precious thing that is perceived as the result of his work. (iii) Comparisons personal are comparisons between the input and out comes who procures (Hellreigel and Slocum, 2004).

# Victor H. Vroom Hope Theory

According to this theory that motivation is the result of someone's desire to achieve a result and his estimate that the actions taken will lead to the desired results. The points of this theory are to relate rewards directly to performance and make sure those rewards deserved and wanted by the recipient.

# McGregor X and Y Theory

Douglas McGregor stated that there were two views about the human being, the first essentially negative (theory X) and second essentially positive (theory Y). McGregor concludes that a manager's view of human nature is based upon certain assumptions and grouping people tend to adjust his behavior towards his subordinates in accordance with the assumptions.

The implications of the theory X and Theory Y McGregor's theory of organization argue that assuming the theory Y is preferred and can guide managers in designing their organization and can motivate his sub-ordinates. In brief, this theory states that two distinctly different views of people; essentially a negative one (theory X) needs a low order presupposes that dominate individuals and another positive (theory Y) that high order needs dominate individuals.

# **Motivation Factors**

According to Sitohang (Vina, 2009), work motivation divided into two big factors, individual factor and organizational factor. Individual factor includes needs, employee competencies, employee characteristics and goals. The organizational factor includes salary, supervisory, development, work safety and job clearance.

Intrinsic motivation is the driving force of work sourced from within the workers as individuals, in the form of awareness about the importance or significance of the job benefits/performance. In other words the motivation comes from the work done, either due to being able to make ends meet, or fun, or allows achieving an objective, nor because it gives certain expectations are positive in the future. For example, workers who work in a dedicated manner solely because, it feels to actualize or embodies the realization itself.

Extrinsic motivation is the driving force of self employment I workers as individuals, in the form of a condition obliged him to carry out the work to its full potential. For example, highly dedicated in the work because wages are higher, the post/position dear or have great power, praise, condemnation, and others. In the environment of an organization/company visible trend of the use of extrinsic motivation is more dominant than intrinsic motivation. The condition mainly because not easy to cultivate awareness of the workers, while the surrounding working conditions more encouraging him on getting the job satisfaction that can only be filled from outside himself.

#### **Employee Turnover**

Turnover intention is a tendency or intention of the employee to quit his job (Zeffane, 1994). According to Bluedorn in Grant et al., (2001) turnover intention is the attitude or the level where an employee has the possibility to leave the organization or resigned voluntarily from the improvements. Further described Mobley, Horner and Hollings worth, 1978 in Grant et al., (2001) the desire to move can be early symptoms of turnover in a company. Turnover can also be defined as the movement of labor out of the organization. Turnover can be a resignation, transfer out organizational units and termination or death of a member of the organization.

Robbins (1996), explained that the turnover can happen voluntarily and are not voluntary. Voluntary turnover or quit is an employee's decision to leave the Organization voluntarily caused by how interesting the work that exists today, and the availability of other employment alternatives. Conversely, involuntary turnover or expulsion describe an employer's decision to terminate the working relationship and are uncontrollable for the employees who experienced it.

# Linkage between Motivation and Employee Turnover

The theory has been described by the writer above, can be seen the relationship between motivation and employee turnover. With the help of an exit interview of a company that is the main tool for the writer to examine this final task, motivation is divided into four factors. Salary, career development, job challenge and compensation benefit is a four factor being the liaison between the motivation of employee turnover.

# Model Analysis (a Ø LÊ\*\*; 7° Si lo S

The model analysis created according to theories and exit interview in PT. Melati.

# Research Methodology

This research discusses the influence of motivation to employee turnover. As already described in the previous chapter about the problem, theory, hypothesis and variables that can be analyzed, the methodology used to analyze the problems and variables must match the context of the preparation of this final project and can prove the hypotheses have been proposed.

In the research, the methodology used is the quantitative methods that will give a general view about the influence of motivation with employee turnover. Although only quantitative, on conclusion of the final project will ask the opinion from the senior manager to provide feedback and opinions on the conclusion of the final project and this organizational case.

This research took place at the headquarters of the PT. Melati in Jakarta. The research was started in April of 2013 until June 2013 in accordance with the time that has been given by PT. Melati for three months. The first month was prioritized for analyzing organizational issues at PT. Melati. Second month conducted the process of data capture. In the last month carried out analysis and research writing.

In the study, data is an essential part to look for and to be precise according to his discussion. These Data are grouped into two

Primary Data is data that is directly obtained from a questionnaire that will be researched and processed. This questionnaire Data is the data that is most important to measure the influence of motivation and job satisfaction of employee turnover.

Secondary Data is data obtained from internal and external companies. Internal Data is the data that is retrieved from an internal company like Division Human Resource or other reports. While the external data is data that is obtained from sources outside the company to supplement the primary data, such as from the internet, books, thesis and research journals.

In running this research, required accurate data and valid from various sources. The necessary data in research it consists of quantitative data and data qualitative. The technique of adoption of data in research is divided into two

This research technique that is collecting data through a library with study and learning how to read directly or indirectly from the books, lecture notes, articles, media and data sources that are directly related to the research variables

Data collection research using questionnaires contained a list of questions sent to the respondents in question be enclosed and filled are confidential, without mentioning the name and identity of the respondents are concerned. Respondents provided answers in answering options so that respondents just choose one of the answers that had been provided. Closed questions can decrease the sensitivity. There is the possibility that the respondent can answer sensitive questions because the alternative answer is already available. Answers from the closed questions are more easily compared between single respondents with other respondents.

The questionnaire will be processed by SPSS program version 18 with multi-linear regression method and sample taken by pseudo random sampling.

# Finding

# **Descriptive Analysis**

This analysis is based on data obtained from 82 respondents who scattered in all divisions in the PT. Melati.

# Validity Test

This validity tests used to measure the validity of the instrument. An instrument is said to be valid if the questions (items) are able to reveal something that will be measured by the questionnaire. Validity of the test was conducted or counted by looking at the value of the Corrected Item-Total Correlation in the table Item-Total Statistics on the output of the calculation using the SPSS program. These values are then compared with the values in table r significant at level used is  $\alpha = 0.05$ . The criteria used are the comparison between  $r_{count}$  and  $r_{table}$ . When  $r_{count} > r_{table}$  then the instrument is considered valid or have close links. The conclusion of the results of the test of validity is an invalid question items must be removed from the study and was not used for subsequent analysis. Test the validity of this is done by comparing the value of  $r_{count}$  and  $r_{table}$  to df = n-2. In this

study df = 30 - 2 or df = 28 with  $\alpha$  0.05 obtained  $r_{table}$  two sides of 0.361. If r (calculated per item) is greater than  $r_{table}$  means the question is said to be valid. The answer from the distribution, analysis of research instruments can be seen in the results of the calculations that appear in the table as follows

| Variable             | ltem                  | Corrected Item-Total Correlation | R <sub>table</sub> | Validity |
|----------------------|-----------------------|----------------------------------|--------------------|----------|
|                      | Salary1               | .857                             | 0.361              | Valid    |
| Salary               | Salary2               | .825                             | 0.361              | Valid    |
| Salal y              | Salary3               | .926                             | 0.361              | Valid    |
|                      | Salary4               | .906                             | 0.361              | Valid    |
|                      | Career_D1             | .833                             | 0.361              | Valid    |
| Caroor Davidonment   | Career_D2             | .799                             | 0.361              | Valid    |
| Career Development   | Career_D <sub>3</sub> | .760                             | 0.361              | Valid    |
|                      | Career_D4             | .847                             | 0.361              | Valid    |
|                      | Job_C1                | .511                             | 0.361              | Valid    |
| Joh Challange        | Job_C2                | .644                             | 0.361              | Valid    |
| Job Challenge        | Job_C3                | .654                             | 0.361              | Valid    |
|                      | Job_C4                | .399                             | 0.361              | Valid    |
|                      | Compensation_B1       | .836                             | 0.361              | Valid    |
| Componentian Bonefit | Compensation_B2       | ·775                             | 0.361              | Valid    |
| Compensation Benefit | Compensation_B3       | .786                             | 0.361              | Valid    |
|                      | Compensation_B4       | .534                             | 0.361              | Valid    |
|                      | Turnover1             | .651                             | 0.361              | Valid    |
| Turnover Begavesi    | Turnover2             | .711                             | 0.361              | Valid    |
| Turnover Pegawai     | Turnover3             | .815                             | 0.361              | Valid    |
|                      | Turnover4             | .854                             | 0.361              | Valid    |

# **Reliability Test**

Reliability is something fairly reliable instrument for use as a means of collecting data because the instrument is already good (Arikunto, 1998: 170). Here is the reliability of the data, not merely of the instrument. The measurement that has high reliability is called the measurement reliability, such as: benefiting, reliability, stability, consistency and stuff but the main idea contained in the concept of reliability is the extent to which the results of a measurement can be trusted (Azwar, 2001: 4).

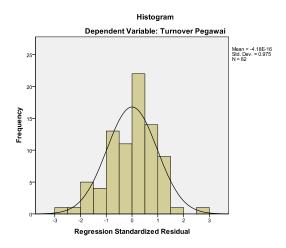
The table above shows the Reliability Statistics tables showing the Cronbach Alpha all variables is bigger than o.6o. It can be concluded that the questions in the variable declared reliable.

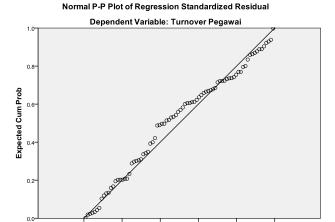
| Variable                | Cronbach<br>Alpha | Total<br>Items | Description |
|-------------------------|-------------------|----------------|-------------|
| Salary                  | 0.948             | 4              | Reliable    |
| Career<br>Development   | 0.914             | 4              | Reliable    |
| Job Challenge           | 0.746             | 4              | Reliable    |
| Compensation<br>Benefit | 0.870             | 4              | Reliable    |
| Employee<br>Turnover    | 0.887             | 4              | Reliable    |

# **Normality Test**

Test of normality aims to test whether in regression models, the variable has a residual barrier or normal distribution. If these assumptions are violated, then the test statistic is not invalid. There are several kinds of methods to detect whether data categorize to a normal distribution or not, one way to see normality test by using the analysis charts.

Looking at the histogram Graph that compares the observation data between the distribution approaches the normal distribution can do detection of normality. Or you can also view the Probability Plot that compares the cumulative distribution of a normal distribution. Normal distribution will form a straight line diagonally, and residual data plotting will be compared with the line diagonal.





Observed Cum Prob

|                           |           | Unstandardized<br>Residual |
|---------------------------|-----------|----------------------------|
| N                         |           | 82                         |
| Normal                    | Mean      | .0000000                   |
| Parameters <sup>a,b</sup> | Std.      | .66568870                  |
|                           | Deviation |                            |
| Most Extreme              | Absolute  | .109                       |
| Differences               | Positive  | .054                       |
|                           | Negative  | 109                        |
| Kolmogorov-S              | .990      |                            |
| Asymp. Sig. (:            | 2-tailed) | .281                       |

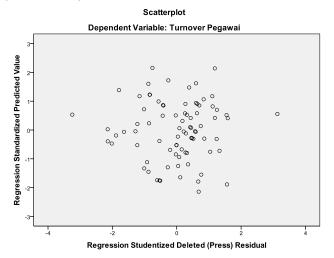
Based on the image above, the histogram graph looks that the normality of data comparing observations with the distribution is not skewed to one side of the right or the left side, so that it can be concluded that distributed data normally. And in the second graph shows the points that converge around the diagonal spread this indicates that the data follow a diagonal line, so that it can be concluded that data is distributed normally. It is also supported by Kolmogorof-Smirnov test results where the value significance of 0,28005 so it is inferred that the data used has a normal distribution

# **Heteroscedascity Test**

Heteroscedasticity arises if the error or residual of observed model does not have a constant variance of an observation to observation. That is, each observation has different reliability due to changes in conditions that were not summarized in the specification aspects influenced models.

There are several ways that can be used to detect whether a series of the data have problems heteroscedasticity or not. Some of these ways is by the method of graph, test the correlation of Spearman, test Park, Glejer test and test the Goldfeld-Quant (Gujarati; 1978)

In this discussion, the method to be used is the method of the chart. How to detect the symptoms is to look at a particular pattern on the graph, where the Y-axis is the residual (Y prediction – Y actual), while the X-axis are the predictions. If there are points on the chart that form a specific and regular pattern (wavy, widens and then narrows), it has been a heteroscedasticity



On the results of the data processing with SPSS, it is clear to see that the pattern of spread of dots above and below the o on the Y axis do not form a specific pattern (wavy, widened, then narrowed), then it can be inferred that heteroscedasticity is not happened.

# **Multicollinearity Test**

Multicollinearity is the presence of a significant linear relationship between some or all of the independent variables. To detect the presence of Multicollinearity there is several methods that are offered include: Correlation Methods, the Frisch method and the method of Farrar-Glauber. However, a simple way to detect the Multicollinearity is to look at the value of Tolerance and VIF (Variance Inflation Factor). Simply analysis of the presence of multicollinearity in regression models is to use VIF (Variance Inflation Factor) and Tolerance (Ghozali, 2005: 92).

|   | Model                   | Unstandardized<br>Coefficients |            | Standardized<br>Coefficients |       |      | Collinea<br>Statisti | ,     |
|---|-------------------------|--------------------------------|------------|------------------------------|-------|------|----------------------|-------|
|   |                         | В                              | Std. Error | Beta                         | t     | Sig. | Tolerance            | VIF   |
| 1 | (Constant)              | .252                           | .601       |                              | .419  | .676 |                      |       |
|   | Salary                  | .366                           | .130       | .373                         | 2.822 | .006 | .331                 | 3.021 |
|   | Career<br>Development   | .374                           | .139       | .367                         | 2.685 | .009 | .310                 | 3.226 |
|   | Job Challenge           | 055                            | .194       | 030                          | 283   | .778 | .514                 | 1.945 |
|   | Compensation<br>Benefit | .111                           | .161       | .106                         | .690  | .492 | .245                 | 4.088 |

From the results of the processing of data in the table shows no Motivation variables (Salary, Career Development, Job Challenge and Compensation Benefits), which has a value of more than 10 VIF. Thus it can be concluded that there is no multicollinearity among variables in the regression model, the regression model of qualified so used to seeing the influence of Motivational variables (Salary, Career Development, Job Challenge and Compensation Benefits) against the employee turnover.

#### **Autocorrelation Test**

There are several ways that can be used to detect whether or not there is autocorrelation, one of which is a method of Durbin-Watson. It should be noted that this Watson-Durbin test is used only for single-level autocorrelation (first order autocorrelation) and requires the presence of intercept in a regression model and no more variable among the independent variables.

| Model | R     | R Square | Adjusted R<br>Square | Std. Error of<br>the Estimate | Durbin-<br>Watson |
|-------|-------|----------|----------------------|-------------------------------|-------------------|
| 1     | .744ª | .554     | .531                 | .68276                        | 2.129             |

a. Predictors: (Constant), Compensation Benefit, Job Challenge, Salary,

In the table above, the value computed or Durbin-Watson is located between 2,129 du = 1,744 (Durbin-Watson tables values for samples of 82 with 4 variable independent variable), and 4-du (4-1,744) = 2,256 so it can be inferred that Ho is accepted. Does that mean there is no autocorrelation or otherwise interference estimation an observation does not correlate with seriously observational estimation of interference from the other.

# Coefficient of Determination

The coefficient of determination is used to see how big the variable contribution of motivation (Salary, Career Development, Job Challenge and Compensation Benefits) against employee Turnover (Y). The higher the adjusted  $R^2$ , it will be the better for a regression model because independent variables are the means capable of explaining variables are bound. Here is a table of results of testing the coefficient of determination.

b. Dependent Variable: Turnover Pegawai

#### **Model Summary**

| Model | R     | R Square | Adjusted R<br>Square | Std. Error of the Estimate |
|-------|-------|----------|----------------------|----------------------------|
| 1     | .744ª | .554     | .531                 | .68276                     |

a. Predictors: (Constant), Compensation Benefit, Job Challenge, Salary, Career Development

From table note that score value Adjusted  $R^2$  coefficient of 0,531, means that the employee turnover variable (Y) variable can be explained by motivation (Salary, Career Development, Job Challenge and Compensation Benefits) amounted to 53.1%, while the rest is 100%-53.1% = 46,9% is the contribution of other independent variables are not included in this research.

# F-Test

The F-test (ANOVA) aims to see the influence of independent variables against dependent variable collectively.

| Model        | Sum of Squares | df | Mean Square | F      | Sig.  |
|--------------|----------------|----|-------------|--------|-------|
| 1 Regression | 44.599         | 4  | 11.150      | 23.918 | .000ª |
| Residual     | 35.894         | 77 | .466        |        |       |
| Total        | 80.494         | 81 |             |        |       |

It is clearly seen that F value 23.918 with significantly the value of 0.000 < 0.05, it can be concluded  $H_0$  is rejected. This means that the variable Salary, Career Development, Compensation and Benefits Job Challenge together significantly influence Turnover (Y).

#### T-Test

The T-test aims to see the influence of each independent variable (Salary, Career development, Job challenge and Compensation benefit) to dependent variable (Employee turnover).

|   | Model                | Unstandardized Coefficients |            | Standardized Coefficients |       |      |
|---|----------------------|-----------------------------|------------|---------------------------|-------|------|
|   |                      | В                           | Std. Error | Beta                      | t     | Sig. |
| 1 | (Constant)           | .252                        | .601       |                           | .419  | .676 |
|   | Salary               | .366                        | .130       | .373                      | 2.822 | .006 |
|   | Career Development   | .374                        | .139       | .367                      | 2.685 | .009 |
|   | Job Challenge        | 055                         | .194       | 030                       | 283   | .778 |
|   | Compensation Benefit | .111                        | .161       | .106                      | .690  | .492 |

The equation from table above:

# Turnover =0,252 + 0,366 (Salary) + 0,374(Career)-0,055(Job Challenge)+0,111(Compensation)

# Salary

From the table above, note that  $t_{count}$  for salary variable is 2.822 at a significance level of 0.006 with a regression coefficient  $\beta$  value of +0.366. Since the significance value 0.006 < 0.05, the influence of Salary variable are significant and positive to Employee turnover (Y).

# Career Development

From the table above, it is known that  $t_{count}$  for career development variables are 2,685 at a significant level of 0.009 with a regression coefficient  $\beta$  value of +0,374. Because the value of significance 0,009 < 0.05, the influence of Career Development variables are significant and positive to Employee turnover (Y).

3. Job Challenge

From the table above, it is known that  $t_{count}$  for job challenge variables are -0.283 at a significant level of 0.778 with a regression coefficient  $\beta$  value of -0.055. Because the value of significance 0,778 > 0.05, the influence of Job challenge variables are not significant and negative to Employee turnover (Y).

4. Compensation Benefit

From the table above, it is known that  $t_{count}$  for compensation benefit variables are 0.690 at a significant level of 0.492 with a regression coefficient  $\beta$  value of +0.111. Because the value of significance 0,492 > 0.05, the influence of Compensation benefit variables are not significant and negative to Employee turnover (Y).

# **Conclusion and Recommendation**

#### Conclusion

Once done with the quantitative method by using SPSS program version 1.8, it can be concluded that there are two factors that affect the motivation of employee turnover and two factor motivation that have no effect on employee turnover in the case of organization of PT. Melati.

Variable salary and career development are two of the most variable influenced on employee turnover. Two variables are the two main factors that affect employee turnover at PT. Melati. In other words, PT. Melati has a problem with two of these variables.

The other two factors, job challenge and compensation benefit does not got effect on employee turnover in PT. Melati. In other words, these two factors cannot trigger or the reason for employees to get out of the company. But not necessarily the system of career development and job challenge in PT. Melati is nice and suitable employee expectations. It is clear that PT. Melati needs changes and revolution in HR system for future company sustainability as same track as this final project mission.

#### Recommendation

- 1. Maintain the internal condition includes HR system, operational factors and financial factor that can trigger the sustainability and good internal condition in company. Person in charge: VP each division and General Managers. Time: First Quarter of 2014.
- 2. Increase the salary of employee to compete with other oil and gas company and to keep the employee loyalty. Person in charge: CEO and Board of director. Time: End of quarter 2014.
- 3. Making sub-grades of career level in the company. Ages or division that has high level of attrition can categorize the sub-grades. The sub-grade was divided several levels in an Office in order to be promoted to more quickly. A raise also follows it though not big in number. But here is drawn from the career development system by aligning the culture Indonesians who desperately wanted to be appreciated. Person in charge: VP Human Resource. Time: Middle quarter 2014.
- 4. The company suggested doing internal rolling worker with another sub-division. The example is switching employee from HR organizational development to HR administration and services. The internal rolling methods will give employee new experience and subject of working. Person in charge: CEO and VP Human Resource. Time: End of 2014.
- 5. The company suggested doing some external rolling worker with other sub-company. This objective is to give another working atmosphere and experience to the employees. The commitment between company and employees (Board of Directors, General Managers, Senior Managers, Managers and Officers) are strictly need to implement the suggestion. Person in charge: CEO and VP Human Resource. Time: End of 2014.

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