



# The Influence of Job Satisfaction and Employee Engagement on Turnover Intention at PT. Dayamitra Telekomunikasi, Tbk. (Study of Mitratel Employees)

Imam Haryadi<sup>1</sup>, Nidya Dudija<sup>2</sup>

<sup>1,2</sup>School of Economics and Business, Telkom University, Bandung, Indonesia

**ABSTRACT:** The rapid advancement of business in the seamless technology era has disrupted nearly every industry. Amidst this disruption, PT. Dayamitra Telekomunikasi (also known as/abbreviated as “Mitratel”) has encountered challenges, particularly an increasing rate of employee turnover. This turnover is thought to be driven by employee dissatisfaction with various internal and external company factors, along with low engagement levels.

Previous research suggests that poor job satisfaction often results in higher turnover intentions, whereas strong employee engagement can help reduce turnover. This study explores the relationship between job satisfaction, employee engagement, and turnover intention at PT Dayamitra Telekomunikasi.

The study employed a questionnaire based on an ordinal Likert scale, with data analyzed using the Partial Least Square (PLS) model, which doesn't require a normal distribution and uses bootstrap techniques to examine correlations between latent variables. The results show that job satisfaction significantly impacts turnover intention, with 76.1% of job satisfaction indicators negatively influencing turnover intentions. However, employee engagement has minimal influence, with only 3.2% of engagement indicators affecting turnover intention. Therefore, while higher job satisfaction reduces turnover, employee engagement does not substantially affect turnover intentions.

In summary, the study confirms that job satisfaction is crucial in lowering turnover intention, consistent with previous research, while employee engagement has a negligible effect on turnover rates.

**KEYWORDS:** Employee Engagement, Job Satisfaction, Turnover Intention.

## 1. INTRODUCTION

Human capital, or human assets, is the primary asset of any organization. Therefore, organizations invest in and ensure the sustainability and growth of these assets. Human resource management practices ensure that organizations can recruit and retain the necessary workforce, while also taking steps to develop their capacity through continuous learning and development [1].

Turnover is an inevitable phenomenon in any business entity, affecting both the organization and the employees. Employee turnover is a pressing issue worldwide, as it not only causes significant financial impacts but also affects overall productivity and employee morale[2]. Research by Parray (2019) states that turnover intention can greatly disrupt a company by weakening collaboration among employees, reducing productivity, increasing operational costs, and depleting the company's knowledge base [3]. In fact, Indonesia ranks fourth in the world for the highest turnover rate, at 15.8% [4].

Turnover intention refers to an employee's desire to leave and move on from their current company. It is often used as an indicator of underlying problems within a company [5]. When turnover intention is significant, it can serve as a red flag for management, signalling potential dissatisfaction or other issues. Research by Suyono (2020), involving 50 members of an HR Managers Association in East Java, found that turnover intention often has more concerning effects than actual turnover, as it impacts employee morale, discipline, and productivity[6]. Additionally, turnover intention adds an estimated 20% to costs in the form of recruitment and training[3], supporting the findings of Parray & Bhat's study[3].

Gallup's business journal suggests that a turnover rate is considered normal if it falls within the 10% range [7]. Similarly, Susilo & Satry (2019) state that a turnover rate of 5-10% per year is typical, but anything above 10% indicates a high turnover rate [8]. Job satisfaction plays a key role in this, as it reflects an employee's perception of how meaningful and beneficial their work is [9].



According to a 2022 Jobstreet survey, 73% of Indonesian workers were dissatisfied with their jobs[10], a sentiment mirrored by a closed survey of 35 Mitratel employees.

Dissatisfaction among employees often stems from various factors, including employee engagement. Studies show that job satisfaction significantly influences employee engagement[11], and higher engagement of employees in their company and its work/jobs correlates with lower turnover intention [5]. Employee engagement, or the emotional commitment employees have towards their work, is a critical issue for companies in Indonesia. Despite its importance, employee engagement levels remain low, with only 36% of Indonesian workers feeling engaged at work [12].

Multiple studies confirm the negative relationship between employee engagement and turnover intention, where increased engagement leads to lower turnover [13]. Job satisfaction and employee engagement were always found to negatively affect turnover intention in Wang's research [5]. Given these findings, the researcher aims to further explore the influence of job satisfaction and employee engagement on turnover intention at PT. Dayamitra Telekomunikasi Tbk.

## 1.1 Objectives

The study's goals are derived from the background information and problem formulation and can be summarized as follows: \

1. To figure and analyze job satisfaction and its influence in Mitratel.
2. To figure and analyze employee engagement and its influence in Mitratel.
3. To figure and analyze turnover intention and its influence in Mitratel.
4. To figure and analyze the influence of job satisfaction and employee engagement simultaneously on turnover intention in Mitratel.

## 2. LITERATURE REVIEW

### 2.1 Job Satisfaction

Job satisfaction, according to Luthans et. al., is the result of an employee's perception of how well their job meets their needs [9]. Armstrong and Taylor (2020) define it as the attitudes and feelings employees develop based on the positive or negative outcomes of their work, where positive attitudes reflect job satisfaction and negative attitudes indicate dissatisfaction [14], [15]. Alam and Asim (2019), referencing Purani & Shadev (2008), describe job satisfaction as the sense of fulfilment and contentment derived from company policies, opportunities for growth, and compensation, which make the employee feel that their work is worthwhile [15]. Robbins, Judge, and Beward (2018) also view job satisfaction as a collection of positive feelings toward one's job, based on the characteristics of the job, the organization, and leadership [16]. Based on these studies, the researcher concludes that job satisfaction is the positive perception or emotional response an employee has toward the outcomes of their work.

### 2.2 Employee Engagement

Robbins et al. (2018), define employee engagement refers to an employee's attachment, enthusiasm, and satisfaction with their job [16]. Luthans et al. (2021) describe it as a meaningful relationship between the company, as a business entity, and the employee, as an asset, which impacts key workplace measures like productivity, retention, customer satisfaction, and safety [9], [17]. This creates an emotional bond between the employee and their job or company. Sun and Bunchapattanasakda (2019) further define employee engagement as the employee's use of their physical, cognitive, and emotional capacities in their role[17]. Armstrong and Taylor (2020) break it down into three types: intellectual engagement (deep thinking about work tasks), affective engagement (feeling positive about good performance), and social engagement (active communication about work improvements) [14]. Overall, employee engagement is the sustained relationship between employees, their work, and their company, which can have both positive and negative outcomes.

### 2.3 Turnover Intention

Turnover intention refers to an employee's conscious desire or intention to leave their current organization, as defined by Alam and Asim (2019), who describe it as the feeling and wish to physically exit the organization [15]. Similarly, Vizano (2021) defines turnover intention as the intention to leave, which reflects a person's behaviour toward leaving the company [18]. Turnover intention can be defined in two stages: the initial formation of the desire to leave, followed by the solidification of this intention into a firm decision [19]. Abet (2024) further elaborates that turnover intention involves the thought process of moving from one organization to another within a certain timeframe, even if no concrete action has been taken yet [20]. In essence, turnover intention



can be understood as the employee's probability or likelihood of leaving the company in the future [21]. Based on these sources, turnover intention is a conscious decision by an employee, after weighing the pros and cons of their job and work environment, to potentially leave their current employer.

**3. METHODS**

This research employs both descriptive and verification approaches. Descriptive research is typically conducted when researchers are aware of the factors or variables to be measured but are uncertain about the relationships between them. The purpose of the descriptive method here is to explain and explore the relationships among variables such as brand image, service innovation, price value, and customer trust. The verification approach, on the other hand, is used to test theories by examining hypotheses.

**4. DATA COLLECTION**

This study utilizes surveys distributed to a representative sample of the population, with questionnaires used to collect primary data on job satisfaction, employee engagement, and turnover intention. The sample size for this research consists of 231 Mitratel employees.

**5. RESULTS AND DISCUSSION**

**5.1 Validity Test**

In this study, instruments are used to measure observed natural or social phenomena [22]. The validity of an instrument is tested to determine whether it is valid, meaning the tool used to collect data is accurate. The study employs Software PLS 3.2.8 for Microsoft Windows to test validity, with discriminant validity assessed through the Average Variance Extracted (AVE), where an AVE value greater than 0.5 is recommended [23].

**Table 1. Validity Test**

Variables	Indicators	AVE	Description
Job Satisfaction	X1.1	0.987	Valid
	X1.2	0.987	Valid
	X1.3	0.983	Valid
	X1.4	0.983	Valid
	X1.5	0.954	Valid
	X1.6	0.956	Valid
	X1.7	0.967	Valid
	X1.8	0.958	Valid
	X1.9	0.973	Valid
	X1.10	0.967	Valid
Employee Engagement	X2.1	0.908	Valid
	X2.2	0.878	Valid
	X2.3	0.879	Valid
	X2.4	0.892	Valid
	X2.5	0.910	Valid
	X2.6	0.852	Valid



Turnover Intention	Y1	0.957	Valid
	Y2	0.957	Valid
	Y3	0.944	Valid
	Y4	0.943	Valid
	Y5	0.949	Valid
	Y6	0.945	Valid

**5.2 Reliability Test**

Reliability is a tool used to assess a questionnaire, which serves as an indicator for variables or constructs. A questionnaire is considered reliable if an individual's responses to the statements remain consistent or stable over time. SmartPLS provides a feature for measuring reliability through Cronbach's Alpha statistical test. A construct or variable is deemed reliable if it achieves a Cronbach's Alpha value greater than 0.60 [23].

**Table 2. Reliability Test**

Variable	Dimension	Cronbach's Alpha	Composite reliability
Job satisfaction	Type of work	0.974	0.987
	Benefit	0.965	0.983
	Promotion	0.903	0.954
	Supervision	0.921	0.962
	Work colleagues	0.937	0.969
Employee engagement	Absorption	0.748	0.887
	Vigor	0.725	0.879
	Dedication	0.717	0.875
Turnover intention	Thoughts of quitting	0.908	0.956
	Intention to quit	0.876	0.942
	Intention of looking for opportunities	0.884	0.945

**5.3 Outer Model**

The indicators for each construct, including Job Satisfaction, Employee Engagement, and Turnover Intention, are reflected in the external model. As a result, the arrows in the measurement model point from the construct to the indicators. The design of the outer model, created using SmartPLS software, is shown in Figure 1 below.

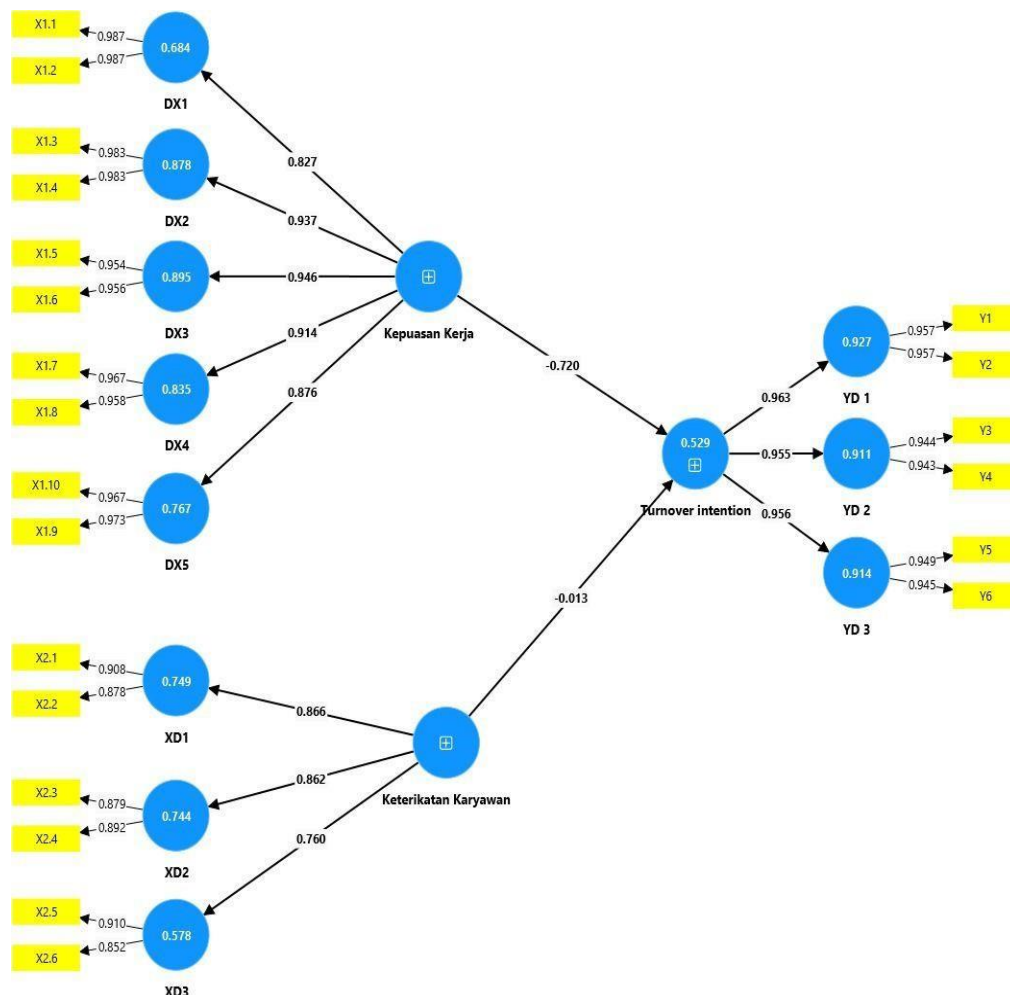


Figure 1. Outer Model

**5.4 Coefficient of Determination (R<sup>2</sup>)**

According to Hair et al. (2021), bootstrapping, often represented by the symbol R<sup>2</sup>, refers to the coefficient of determination. The R<sup>2</sup> value is expressed as a percentage and indicates the proportion of variation in the dependent variable that can be explained by the regression model. For instance, an R<sup>2</sup> value of 0.70 means that 70% of the variation in the dependent variable Y is explained by the regression model, while the remaining 30% is influenced by other variables outside the model.

**Table 3. Coefficient of Determination**

Variable	R2	R <sup>2</sup> adjusted
Turnover Intention	0.553	0.527

In this study, the bootstrapping test results show an R<sup>2</sup> value of 0.553. This means that turnover intention is explained by job satisfaction and employee engagement at a rate of 55.3%, while the remaining 44.7% is affected by other variables not included in the study.

**5.5 Influence of Job Satisfaction (X<sub>1</sub>) on Turnover Intention (Y)** This table displays the statistical results from SmartPLS 3.2.8 software, highlighting the impact of job satisfaction on turnover intention:



**Table 4. Influence of Job Satisfaction on Turnover Intention**

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ((O/STDEV))	P Values
Job Satisfaction → Turnover Intention	-0.761	-0.743	0.098	7785	0.000

The hypothesis of this study is:

**H0:** Job satisfaction does not partially affect Mitratel employees’ turnover intention.

**H1:** Job satisfaction significantly affects Mitratel employees’ turnover intention.

The first hypothesis test reveals that H1 is accepted, indicating that job satisfaction significantly influences turnover intention, as the  $\alpha$  value is less than 5% (0.05). The path coefficient for job satisfaction (X1) is -0.761, meaning that there is a negative impact of 76.1% on turnover intention (Y). This suggests that better job satisfaction at Mitratel leads to lower turnover intention, while poorer job satisfaction increases it.

These findings align with previous research by Alam and Asim (2019), which also concluded that job satisfaction has a significant negative effect on turnover intention [15]. Similar results were found in studies by Parray and Bhat (2019) [3] and Rahman (2020) [24], indicating that theoretical implications from earlier research can be applied to similar cases.

**5.6 Influence of Employee Engagement (X<sub>2</sub>) on Turnover Intention (Y)** This table displays the statistical results from SmartPLS 3.2.8 software, highlighting the impact of employee engagement on turnover intention:

**Table 5. Influence of Employee Engagement on Turnover Intention**

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ((O/STDEV))	P Values
Employee Engagement → Turnover Intention	0.032	-0.002	0.128	0.249	0.803

The hypothesis of this study is:

**H0:** Employee engagement does not partially affect Mitratel employees’ turnover intention.

**H1:** Employee engagement significantly affects Mitratel employees’ turnover intention.

Based on the second hypothesis test, the proposed H1 was rejected, indicating that employee engagement has no significant effect on turnover intention, as the  $\alpha$  value is greater than 5% (0.05). The latent variable coefficient for employee engagement (X2) in the path coefficient output was 0.032, showing a positive influence of only 3.2% on turnover intention (Y). This result suggests that the level of employee engagement at Mitratel, whether high or low, does not affect turnover intention, implying that employees may not feel fully connected to the company. Additionally, gender plays a role, with male employees more likely to engage physically, cognitively, and emotionally in the organization, which aligns with the fact that most employees at PT Dayamitra are male.

This finding shared the same results as previous research by Natalia & Rosiana (2017) [25] and Wahyuningrum & Hanafia (2023)[26] where the impact of employee engagement on turnover intention was either positive or insignificant. On this research by Johannes & Handayani (2021) it is explained that the impact of employee engagement on turnover intention rather being “zero”



than insignificant, meaning there is nearly zero implications to the output[27]. The consistency with previous research indicates that the theoretical implications of earlier studies can be applied to similar issues.

## 6. CONCLUSION

The analytical results lead to following conclusions:

1. Job satisfaction at PT Dayamitra Telekomunikasi falls into the satisfied category with an average score of 76.26.
2. Employee engagement at PT Dayamitra Telekomunikasi is classified as high, with an average score of 83.92.
3. Turnover intention at PT Dayamitra Telekomunikasi is considered low, with an average score of 43.28.
4. Job satisfaction has a significant negative effect on turnover intention at PT Dayamitra Telekomunikasi.
5. Employee engagement does not significantly affect turnover intention at PT Dayamitra Telekomunikasi.
6. Job satisfaction and employee engagement moderately impact the turnover intention at PT Dayamitra Telekomunikasi.

## REFERENCES

1. N. Dwiyantri and N. Dudija. (2019). "The Effect of Rewards on Employee Performance with Employee Engagement as an Intervening Variable in Indonesian Pharmaceutical Companies," *Journal of International Conference Proceedings (JICP)*, vol. 2, no. 3, pp. 192–199. DOI: I.org/10.32535/jicp.v2i3.662.
2. N. S. Jaharuddin and L. N. Zainol. (2019). "The Impact of Work-Life Balance on Job Engagement and Turnover Intention," *The South East Asian Journal of Management*, vol. 13, no. 1. DOI: 10.21002/seam.v13i1.10912.
3. Z. A. Parry and S. A. Bhat. (2019). "Turnover Intention's Relationship to Organizational Culture and Job Satisfaction in the Health Care Industry," *Abhigyan*, vol. 37, no. 2, pp. 48–56. DOI: 10.56401/Abhigyan/37.2.2019.48-56.
4. A. Ferdian, B. S. Luturlean, A. Samsudin, and N. B. Suchita. (2020). "Employees Turnover Intention in Indonesia: Do Intrinsic Motivation and Affective Commitment Can Overcome The Problem?," *TEST Engineering & Management*, vol. 83, no. March-April 2020, pp. 24456–24470. [Online]. Available: <https://www.researchgate.net/publication/342712073>
5. C. Wang, J. Xu, T. C. Zhang, and Q. M. Li. (2020). "Effects of professional identity on turnover intention in China's hotel employees: The mediating role of employee engagement and job satisfaction," *Journal of Hospitality and Tourism Management*, vol. 45, pp. 10–22. DOI: 10.1016/j.jhtm.2020.07.002.
6. J. Suyono, A. Eliyana, and D. Ratmawati. (2020). "The nightmare of turnover intention for companies in Indonesia," *Opción: Revista de Ciencias Humanas y Sociales*, vol. 36, no. 91, pp. 871–888. [Online]. Available: <https://dialnet.unirioja.es/servlet/articulo?codigo=7643172>
7. B. Smith and T. Rutigliano. (2023). "The Truth About Turnover," Gallup. Accessed: May 03, 2024. [Online]. Available: <https://news.gallup.com/businessjournal/316/truth-about-turnover.aspx?version=print>
8. Abd. Syakur, T. A. B. Susilo, Wike, and R. Ahmadi. (2020). "Sustainability of Communication, Organizational Culture, Cooperation, Trust and Leadership Style for Lecturer Commitments in Higher Education," *Budapest International Research & Critics Institute-Journal (BIRCI-Journal)*, vol. 3, pp. 1–11. DOI: 10.33258/birci.v3i2.980.
9. F. Luthans, B. C. Luthans, and K. W. Luthans. (2021). *Organizational behavior: an evidence-based approach*, 14th ed. Charlotte, North Carolina, U.S.A.: Information Age Publishing, Incorporated.
10. Tim Konten Jobstreet. (2022). "73% Karyawan Tidak Puas dengan Pekerjaan Mereka," Jobstreet Indonesia. Accessed: May 21, 2024. [Online]. Available: <https://www.jobstreet.co.id/id/careeradvice/article/73-karyawan-tidak-puas-dengan-pekerjaan-mereka>
11. S. Riyanto, E. Endri, and N. Herlisha. (2021). "Effect of work motivation and job satisfaction on employee performance: Mediating role of employee engagement," *Problems and Perspectives in Management*, vol. 19, no. 3, pp. 162–174. DOI: 10.21511/ppm.19(3).2021.14.
12. R. Setyo Wicaksono. (2020). "Work Engagement sebagai Prediktor Turnover Intention pada Karyawan Generasi Millennial di PT Tri-Wall Indonesia," *Acta Psychologica*, vol. 2, no. 1, pp. 55–62. DOI: 10.21831/ap.v1i1.34119.
13. N. Setyaningsih and L. C. Nawangsari. (2021). "The Influence of Organizational Culture and Employee Engagement on Turnover Intention With Job Satisfaction as Mediating Role," *Int J Innov Sci Res Technol*, vol. 6, no. 2, pp. 277–287. DOI: 10.38124/ijisrt.



14. M. Armstrong and S. Taylor. (2020). *ARMSTRONG'S HANDBOOK OF HUMAN RESOURCE MANAGEMENT PRACTICE - A Guide to the Theory and Practice of People Management*, 15th ed. London, United Kingdom; New York, NY, U.S.A.: KoganPage.
15. A. Alam and M. Asim. (2019). "Relationship Between Job Satisfaction And Turnover Intention," *International Journal of Human Resource Studies*, vol. 9, no. 2, p. 163, Apr. 2019, DOI: 10.5296/ijhrs.v9i2.14618.
16. S. P. Robbins, T. A. Judge, and K. E. Breward. (2018). *Essentials of Organizational Behaviour (Canadian Edition)*, Canadian., vol. 1. Don Mills, Ontario, Canada: Pearson Education (Canada), Inc.
17. L. Sun and C. Bunchapattanasakda. (2019). "Employee Engagement: A Literature Review," *International Journal of Human Resource Studies*, vol. 9, no. 1, p. 63, Jan. 2019, DOI: 10.5296/ijhrs.v9i1.14167.
18. N. A. VIZANO, A. H. SUTAWIDJAYA, and E. ENDRI. (2021). "The Effect of Compensation and Career on Turnover Intention: Evidence from Indonesia," *Journal of Asian Finance, Economics and Business*, vol. 8, no. 1, pp. 471–478. DOI: 10.13106/jafeb.2021.vol8.no1.471.
19. K. F. E. Wong and C. Cheng. (2020). "The Turnover Intention–Behaviour Link: A Culture-Moderated Meta-Analysis," *Journal of Management Studies*, vol. 57, no. 6, pp. 1174–1216. DOI: 10.1111/joms.12520.
20. Z. Abet, M. A. Mohd Anuar, M. M. Arshad, and I. A. Ismail. (2024). "Factors affecting turnover intention of Nigerian employees: The moderation effect of organizational commitment," *Heliyon*, vol. 10, no. 1. DOI: 10.1016/j.heliyon.2023.e23087.
21. F. D. Abdul Latif, U. N. Saraih, and Y. Harada. (2020). "Talent Management and Turnover Intention: The Moderating Effect of Employee Engagement," *Journal of Advance Research in Business, Marketing, and Supply Chain Management (JARIMS)*, vol. 3, no. 1, pp. 11–17. DOI: 10.10516/j.jarims.2019.10.075.
22. K. Abdullah *et al.* (2022). *METODOLOGI PENELITIAN KUANTITATIF*. Pidie, Aceh, Indonesia: Yayasan Penerbit Muhammad Zaini.
23. Jr., J. F. Hair, G. T. M. Hult, C. M. Ringle, M. Sarstedt, N. P. Danks, and S. Ray. (2021). *Partial Least Squares Structural Equation Modeling (PLS-SEM) Using R: A Workbook*, 1st ed. Cham, Switzerland: Springer Cham. DOI: 10.1007/978-3-030-80519-7.
24. S. M. Rahman. (2020). "Relationship between Job Satisfaction and Turnover Intention: Evidence from Bangladesh," *Asian Business Review*, vol. 10, no. 2, pp. 99–XX. DOI: 10.18034/abr.v10i2.470.
25. J. Natalia and E. Rosiana. (2017). "ANALISA PENGARUH EMPLOYEE ENGAGEMENT TERHADAP KINERJA KARYAWAN DAN TURNOVER INTENTION DI HOTEL D'SEASON SURABAYA," *Jurnal Hospitality dan Manajemen Jasa*, vol. 5, no. 2, pp. 93–105. [Online]. Available: <https://publication.petra.ac.id/index.php/manajemen-perhotelan/article/view/5941>
27. N. Wahyuningrum and F. Hanafia. (2023). "Pengaruh Employee Engagement dan Kepuasan Kerja Terhadap Turnover Intention Karyawan," *Jurnal Pelita Manajemen*, vol. 2, no. 2, pp. 168–174. DOI: 10.37366/jpm.v2i02.3885.
28. E. Johanes and K. Handayani. (2023). "PENGARUH EMPLOYEE ENGAGEMENT DAN JOB SATISFACTION TERHADAP TURNOVER INTENTION PADA KARYAWAN GENERASI MILENIAL DI WILAYAH JAKARTA," *Institute Bisnis dan Informatika Kwik Kian Gie, Jakarta, ID*. [Online]. Available: <http://eprints.kwikkiangie.ac.id/1986/10/Resume.pdf>

Cite this Article: Haryadi I., Dudija N. (2024). *The Influence of Job Satisfaction and Employee Engagement on Turnover Intention at PT. Dayamitra Telekomunikasi, Tbk. (Study of Mitratel Employees)*. *International Journal of Current Science Research and Review*, 7(11), 8230-8237, DOI: <https://doi.org/10.47191/ijcsrr/V7-i11-10>