Conference Paper

The Influence of Organization Culture and Career Development Towards The Turnover Intention on The Foodhall Of DKI Jakarta Province

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Abstract

The purpose of this research was to the Influence Of Organization Culture And Career Development toward The Turnover Intention On The Foodhall Of DKI Jakarta Province partially or simultan eously on employee turnover intention. The population in this study amounted to 1,982 employees in twenty-five outlets of The Foodhall in DKI Jakarta Province, with a total sample of 355 respondents. The research method used in this research was descriptive and explanatory survey method. The sampling method was probability sampling with proportionate random sampling technique, and the data analysis method used is SEM (Structural Equation Modeling) with the Lisrel 8.80 data analysis tool.

Based on the results of the study, the findings are as follows: Organizational culture, career development either partially or simultaneously have significant effect on employee turnover intention with contribution of 81%. Partially organizational commitment is the most dominant in influencing employee turnover intention. The results also show that organizational culture, career development on employee turnover intention. The managerial implications of this study are the turnover intention of employees of The Foodhall's in Jakarta reflected by quitting dimensions will be reduced if The Foodhall in Jakarta is able to improve career development of employees, reflected by career indecision, supported by improving the organizational culture reflected by the dimensions of outcome orientation.

Keywords: Organizational Culture, Career Development, Turnover Intention

1. Introduction

As the most populous city in Indonesia, Jakarta provides great business opportunities. One of them is a supermarket or supermarket business. In Jakarta, supermarkets are almost never empty of visitors. For this reason, retail businesses are growing rapidly over time. At its inception in 1990, one supermarket rebranded in 2005, this supermarket changed its name to TheFoodHall. In accordance with its motto, freshness, quality, and
service. The Food Hall promotes the freshness and quality of food ingredients, as well as satisfying service. Since January 2014, TheFoodHall has had several subsidiaries such as Daily Foodall, Daily Kitchen, The Market, The Foodhall Kitchen, and The Foodhall Gourmet that you can find in several areas in DKI Jakarta. Based on data from the Indonesian Retail Entrepreneurs Association (Aprindo, 2016) in the DKI Jakarta area there have been 25 thefoodhall outlets spread throughout the DKI Jakarta area.

The mushrooming number of Thefoodhall outlets in DKI Jakarta, based on data from the Indonesian Retail Entrepreneurs Association (2016), thefoodhall sales level in DKI Jakarta shows a smaller level of profit margins than retailers’ retailers with diverse sales products (FMCG, fashion, equipment and accessories and others-other), where the data shows that the growth rate of home care product sales shows high sales growth or reaches 10.7% (YoY), followed by the growth in sales of personal care products reaching 10.6% (YoY) while the most the low growth rate of sales is in the food products (food) which only achieved sales growth of 8.4% (YoY).

Some of the factors that are constraints that cause the low growth rate of sales of Thefoodhall in DKI Jakarta are the purchasing power of the people, the equipment and technology used, and the human resources (HR) owned. Thefoodhall Retail is a very unique industry, so there are several important things that distinguish Thefoodhall's Human Resources (HR) retail from other human resources. First is the number of employees who are many and scattered. This certainly has an impact on the management of human resources that require special handling. Starting from recruitment, development, to employee administration issues. Second, is about working hours. Employees at this retail will usually be required to enter on holidays. A thing that requires proper shifting arrangements, as well as adequate management of incentives so that employees are eager to work even on holidays. The third is high employee turnover, as contained in data from The FoodHall in DKI Jakarta (2016) It can be concluded that the number of foodhall employees in DKI Jakarta who came in and out from 2011 to 2016 fluctuated with relatively high employee turnover percentages. In 2011 the employee turnover percentage was 25.90% per year, in 2013 the percentage of employee turnover increased to 2.46% compared to 2011 or reached 28.36%. In 2016 the percentage of employee turnover decreased by 4.03% compared to the previous three years (2013) or only reached 24.33%. However, these data also show that the relatively high turnover rate of Thefoodhall employees in DKI Jakarta reaches 26.17% on average, meaning that if thefoodhall has 100 employees, there will be 26 to 27 employees leaving within a year. The high average annual employee turnover in thefoodhall exceeds employee turnover rates in other retailers such as home care, personal care and pharmaceutical
outlets which only reach an average employee turnover of 24.00% per year or 2.00% per month (Aprindo, 2016).

According to Bandhanpreet Kaur, Mohindru and Pankaj (2013), through the results of his research concluded that turnover intention is an antecedent of employee turnover. So it is still according to Bandhanpreet Kaur, Mohindru and Pankaj (2013), that the most important thing for organizations is to design strategies to improve the above factors so that employee performance and efficiency can be improved which can reduce turnover intention in the end. Based on this statement, the high average turnover of Thefoodhall employees in DKI Jakarta was caused more by the relatively high turnover intention of Thefoodhall employees in DKI Jakarta, which was based on the Indonesian Retail Employers Association (2016) data which stated that the average of Thefoodhall employees never dream of becoming an SPG or servant. Some of them only work in Thefoodhall while waiting for other opportunities to arise, whether they are continuing their education, looking for another job, or even just waiting for a mate.

The high turnover intention of Thefoodhall employees in DKI Jakarta was also shown based on data from the researchers' initial survey (2017) in several Thefoodhall in DKI Jakarta which showed that the turnover intention of Thefoodhall employees in DKI Jakarta was generally relatively high. Some employee turnover intentions are still relatively high based on the results of the initial survey the researcher is on a better position and better job. While relatively low employee turnover intention is in quitting. The higher the better position of employees is that most employees have the desire to get better positions and the desire to get a better salary / income that reaches a score of 430 is below the standard score of 420. Then the high turnover intention of Thefoodhall employees in DKI Jakarta is also seen the desire of employees to get out of the workplace is more due to the desire to get a better job or the better job that reaches a score of 535 is still above the standard score of 525. This shows that the majority of employees show a desire to get a more challenging job, want the distance of the workplace that is relatively closer, and want a job with transportation that is relatively easy.

According to Rohani Salleh, Mishaliny Sivadahasan Nair, and Haryanni Harun (2012) through the results of her research on retail employees in Malaysia, concluded that aspects of organizational satisfaction and commitment were negatively and significantly related to employee turnover intentions. Demkian also with the results of research conducted by Linyi Song (2016) which concluded that there is a statistically significant relationship related to stress, experience, salary, leadership support, job satisfaction, organizational commitment and desire to move. Based on the statement above, the high
turnover intention of Thefoodhall employees in DKI Jakarta was allegedly caused by the relatively low organizational commitment. This is indicated based on data from the researchers’ initial survey (2017) at several Thefoodhall in DKI Jakarta which showed that the level of organizational commitment in Thefoodhall employees in DKI Jakarta was generally still relatively low. Organizational commitment that is still relatively low based on the results of the researchers’ initial survey is on affective, continuous commitment and normative commitment. The low affective commitment of Thefoodhall employees in DKI Jakarta is that employees are still relatively happy to choose another company as a place to work that only reaches a score of 300 is below the standard score of 315. Then low organizational commitment is also seen in continuous commitment to company employees who only reach score 275 is still below the standard 315 score. This shows that in general the employees of Thefoodhall company in DKI Jakarta still feel the lack of conformity of company policies with employees and the lack of loyalty to the company. And the low organizational commitment seen in normative commitments that only reached 310 is still below the standard 315 score. This shows that generally the employees of Thefoodhall company in DKI Jakarta still feel a lack of compatibility with company norms.

Ramesh Kumar, Charles Ramendran, and Peter Yacob (2012), through the results of their research stated that organizational culture and organizational commitment, suitable people organizations have an impact on employee turnover intention in the fast food industry. Likewise with the results of the study Seçil Bal Taştan (2012) which states that aspects of organizational culture have a positive impact on performance behavior in the role and a negative impact on employees’ intention to leave. Based on several statements above, the low organizational commitment and high turnover intentions of Thefoodhall employees in DKI Jakarta were allegedly caused by the still relatively low organizational culture. This is based on a statement from the Indonesian Retail Entrepreneurs Association (Aprindo, 2016) that one of the ways to reduce the employee turnover intentions of Thefoodhall requires the role and function of Human Resources Development, how to build a conducive organizational culture so that employees feel they have a future career in the retail industry, so that employee turnover can be reduced so that it is not too high. The low organizational commitment and high turnover intentions of Thefoodhall employees in DKI Jakarta are also indicated based on data from the researchers’ initial survey (2017) in several Thefoodhall in DKI Jakarta which showed that the organizational culture of The foodhall employees in DKI Jakarta is generally relatively low. Some organizational cultures are still relatively low based on the results of the researchers’ initial survey, mainly on innovation and risk taking, team.
orientation, aggressiveness, and stability. The low level of innovation and risk taking in Thefoodhall in DKI Jakarta is like a lack of innovative and creative ideas and a lack of new innovations that only reach a score of 310 below the standard score of 315. Then the low organizational culture is also seen in the team orientation of the company employees who only achieving a score of 290 is still below the standard score of 315. This shows that in general the team orientation on Thefoodhall in DKI Jakarta lacks the ability to collaborate with colleagues, lack of problem solving in teams, and still low orientation in teamwork. As well as the low organizational culture seen in aggressiveness which only reached a score of 295 is still below the standard score of 315 and in the dimension of stability that only reached a score of 190 is still below the standard score of 210. This shows that generally aggressiveness in Thefoodhall in DKI Jakarta is still lacking in paying attention to the work of employees, it is still less aggressive in conducting supervision, and still lacking in encouraging to work properly and quickly. Likewise, in general, the stability of Thefoodhall in DKI Jakarta is still lacking in maintaining good work stability and still lacking in enforcing rules on employees.

According to Mariyam Imna and Zubair Hassan (2015) through the results of his research stated that three human resource practices such as career development, appreciation and recognition, and health and safety have a negative and significant impact on employee retention. Likewise, research conducted by Muhammad Shahid Nawaz and Faizuniah Pangil (2016) concluded that career care has been found as one of the most important predictors of employee turnover intentions. This implies that, if employees are very concerned about their careers (ie their career development) they are more likely to leave their current organization, especially if their prospects for advancing their careers are unclear or absent. Based on the statement above, the low organizational commitment and high turnover intentions of Thefoodhall employees in DKI Jakarta are allegedly caused by the relatively low level of career development. This is based on a statement from the Indonesian Retail Entrepreneurs Association (Aprindo, 2016) that in the retail industry the term 'retail is detail' is known. Starting from the aspect of lighting, the temperature in the store, to the cleanliness of the shop. The details referred to in this matter also include visual merchandising which must be managed in such a way that the products sold can attract consumers. So that comprehensive employee development is needed so that since employees join the company already get proper debriefing. Then the low level of organizational commitment and high turnover intentions of Thefoodhall employees in DKI Jakarta are also indicated based on data from the researchers’ in several Thefoodhall in DKI Jakarta which shows that the career development of The Foodhall employees in DKI Jakarta is generally still relatively low.
Some career development is still relatively low based on the results of the researchers’ initial survey, mainly on career certainty, career exploration, career indecision, and career planning. The low career certainty of employees of The foodhall in DKI Jakarta is such as a lack of clarity on the career path of employees and a lack of clarity about the future of employees who only reached a score of 305 under the score standard of 315. Then the low career development was also seen in the career exploration of employees who only reached 304 score is still below the standard 315 score. This shows that in general career exploration in the employees of The Foodhall in DKI Jakarta still lacks awareness and self-understanding of the career they take, lacks the ability to pursue a career, and is still lacking in have an interest in continuing career career. As well as the low career development seen in the career indecision that only reached a score of 300 is still below the standard 315 score and in the career planning dimension that only reached 310 is still below the standard 315 score. This shows that in general career indecision for employees at The Foodhall DKI Jakarta still has an unclear career and still has anxiety about his career. Likewise, career planning in The Foodhall employees in DKI Jakarta generally does not have a mature career plan and still does not understand the career path.

According to Alexandro Beato and Gergana Velkova (2017) through the results of his research stated that leadership that supports reducing employee turnover, managing personnel scheduling reduces employee turnover, and competitive compensation reduces employee turnover. Likewise with research conducted by Mariyam Imna and Zubair Hassan (2015) which concluded that three human resource practices such as career development, recognition and recognition, and health and safety have a negative and significant impact on employee retention. Based on the statement above, the low organizational commitment and high turnover intentions of Thefoodhall employees in DKI Jakarta were allegedly caused by the relatively low compensation. This is based on data from the Central Bureau of Statistics (2017) regarding the Average Employee Salary Sector in Indonesia, which states that the electricity, gas and water sectors with average wages in this sector reach Rp 4.43 million per month. Then the mining sector with an average employee salary of Rp 4.42 million per month, the financial sector with an average employee salary of Rp 3.72 million per month, and the average salary of the smallest employee is in the retail sector with an average employee wages of Rp 3.18 million. The employee salary at TheFoodhall retail in DKI Jakarta based on TheFoodhall (2017) data shows that the lowest average salary of TheFoodHall retail employees is Rp. 3.18 million is still below the average salary in the mining sector (IDR 4.42 million) and the financial sector (IDR 3.72 million).
1.1. Problem Formulation

Based on the background of the research and identification of the problem above, the researcher can formulate the problem in this study as follows:

1. Is there an influence of organizational culture on employee turnover intention in The FoodHall in DKI Jakarta?
2. Is there any influence on career development on employee turnover intention in The FoodHall in DKI Jakarta Province?
3. Are there any influence of organizational culture, career development, together on employee turnover intentions in The FoodHall in DKI Jakarta Province?

1.2. Objectives

Based on the identification and formulation of the above problems, the main purpose of this research is to find out and analyze and uncover:

1. The influence of organizational culture on employee turnover intention of The FoodHall in DKI Jakarta Province.
2. Effect of career development on employee turnover intention of The FoodHall in DKI Jakarta Province.
3. Influence of organizational culture, career development, together on employee food turnover intention in DKI Jakarta Province.

2. Literature

2.1. Turnover Intention

According to Bluedorn in Grant et. al., (2001: 101) employee turnover intention is an attitude tendency or level at which an employee has the possibility to leave the organization or resign voluntarily from his job. Robbins and Judge (2011: 215) define employee turnover intention as a permanent dismissal of employees from the company, whether done by the employee himself (voluntarily) or carried out by the company. Meyer et al, (1993) in Meyer and A lien (1997) in Syauta et. al. (2012: 71) the higher job satisfaction and organizational commitment is expected to reduce the intent and purpose of employees to leave the organization. Furthermore, employees who are dissatisfied with aspects of
their work and are not committed to their organization will be more likely to find work in other organizations. Mobley, Horner and Hollingsworth, 1999 in Grant et al. (2001: 102) the desire to move can be used as an initial symptom of turnover in a company. Employee turnover intention can also be interpreted as an outward movement of labor and organization. Turnover intention can be in the form of resignation, transfer out of the organizational unit, dismissal or death of an organization member. Furthermore Mobley (2011: 150) argues, there are three indicators used to measure turnover intention, namely the mind to stop reflecting the individual to think of leaving work or remaining in the work environment; the desire to get a better job position that reflects the individual to find work with a better job position in other organizations; and the desire to find a better job that reflects individuals who intend to leave. Employees intend to leave if they have got a better job, sooner or later will end with the employee's decision to stay or leave the job.

3. Organizational Culture

Wood et al., (2004: 435) organizational culture is an understanding of the values and beliefs developed in the organization or sub-unit, which directs the behavior of members of the organization. Further according to Wood et al., (2004: 448) suggests that organizational culture explains the right way to prepare, think and feel in relation to a social system. Greenberg (2011: 511) states organizational culture as a cognitive framework that consists of attitudes, values, norms of behavior, and shared expectations by members of the organization. Kreitner and Kinicki (2001: 68) suggest that organizational culture is an understanding of value and trust as a corporate identity. Ivancevich et al. (2008: 33) suggests that organizational culture is the total number of beliefs, rituals, regulations, customs, artifacts and institutions that characterize the nation’s population. While Robbins and Judge (2009: 585) state that organizational culture is a system of shared meanings of primary values shared by and valued by the organization, which serves to create a clear distinction between one organization and another, creating a sense of identity for members of the organization, facilitates the emergence of collective commitment to the organization, enhances the stability of the social system, and creates mechanisms of meaning and control that guide the attitudes and behavior of members of the organization. According to Robbins and Judge (2009: 585-586) there are seven primary characteristics that together can explain the nature and culture of an organization, namely 1) Innovation and risk taking, the extent to which employees are encouraged to be innovative and take risks; 2) Attention to details, the
extent to which employees are expected to show accuracy, analysis and attention to details; 3) Results orientation, the degree to which management focuses on results, not on the techniques and processes used to achieve those results; 4) Person orientation, the extent to which management decisions take into account the effects of results on people in the organization; 5) Team orientation, the extent to which work activities are organized around teams rather than individuals; 6) Aggressiveness, the extent to which people are aggressive and competitive rather than relaxed; 7) Stability, the extent to which organizational activities emphasize maintaining the status quo rather than growth.

4. Career Development

Dessler (2003: 353) career development is the feedback given by the company to employee performance in the form of employee development plans and giving employees access to training related to employee work competencies. Dubrin (2005: 214), states that career development is the most important aspect for individuals to develop every ability they have. It also helps individuals / employees to plan their careers in the future so that those concerned can develop themselves optimally. Ivancevich (2008: 143) career development is a formal effort carried out continuously by an organization that focuses on the development and employment of the organization's human resources in order to meet the needs of both parties between employees and organizations. While Bernardin and Russell (2010: 294) say that career development is an interaction between individual career planning and corporate management planning. Individual success includes individual beliefs about their abilities in a specific environment, the expected results are impacting on the behavior and goals of the intention to engage in behavior so that the expected results will be better in the future. (Wright et. Al, 2008: 223). Then according to Salter (2008: 7) suggests that career development is an effort to develop the skills and competencies needed for various career fields, give a degree or certification, and provide guidance and counseling. Salter (2008: 15) suggests that career development includes dimensions, namely: 1) Career certainty, is the level of certainty that a person feels he has made a decision about his career; 2) Career decidedness, is the individual's confidence to successfully carry out tasks related to career taking; 3) Career decision making self-efficacy, is a career that involves a person's confidence in his own ability to successfully make decisions about his career and planning; 4) Career exploration, is an activity that aims to increase knowledge about themselves and the surrounding environment that occurs continuously throughout the process of development of his career; 5) Career indecision, is a dubious career so that
someone feels uncertain about his career; 6) Career planning, is a career planning involving involvement in career exploration activities.

5. Research Hypothesis

Based on the description of the theory and thinking framework that has been stated above, the research hypothesis can be formulated as follows:

1. There is a negative influence of organizational culture on employee foodhall turnover intention in DKI Jakarta Province.

2. There is a negative influence of career development on employee foodhall turnover intention in DKI Jakarta Province.

3. There is an influence on organizational culture, career development, together on the foodhall employee turnover intention in DKI Jakarta Province.

6. Method

The method used in this study is a survey method with descriptive and associative explanatory techniques. Descriptive and associative explanatory techniques are used to obtain information about Organizational Commitment Determinants which consist of organizational culture, career development and compensation and their implications for employee turnover intention. In this study two survey methods were used, namely descriptive survey and explanatory survey. The unit of analysis in this study were employees at 25 outlets of The foodhall in DKI Jakarta. The time horizon in this study is cross-sectional, where the research is carried out at one time simultaneously. To get the perception of respondent's data related to the research variables, each variable is composed of dimensions, which are then operationalized against the indicators. The operational variables of the research are as follows:

1. Organizational Culture, measured using seven dimensions with 19 indicators.

2. Career Development, measured using six dimensions with 17 indicators.

3. Turnover Intention, measured using three dimensions with 12 indicators.

In this research the population (unit of analysis) was the employees of The Foodhall company in DKI Jakarta. The population in this study based on Aprindo's data (2016) are 1982 employees of the twenty-five companies of The Foodhall in DKI Jakarta. Related to
rule of thumb in SEM, Hair et. al. (2010) states that in determining the sample size, there is a minimum ratio of 5 respondents for each parameter in the study, or 10 respondents for every 1 parameter, or 15 respondents for every 1 parameter. Based on the rule of thumb in the SEM, in this study a ratio of 5:1 is used. This study has 71 parameters (indicators), then the minimum sample size is 355 respondents. The sampling method used in this study is to use probability sampling with the proportionate random sampling technique. The method of analysis and testing hypotheses in this study, in accordance with the purpose of the study is to measure the influence of independent variables (organizational culture, career development and compensation) on the dependent variable (employee turnover intention), involving mediating variables (organizational commitment). The approach to modeling and solution techniques used are using the Structural Equation Model (SEM) method and with data processing analysis tools using the Lisrel 8.70 application program.

<table>
<thead>
<tr>
<th>Hypotesys</th>
<th>Coeff. Path/R²</th>
<th>t_value/V</th>
<th>t_critici/V</th>
<th>Conclusion Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Organizational culture affects Organizational commitment</td>
<td>0,25</td>
<td>3,78</td>
<td>1,96</td>
</tr>
<tr>
<td>H2</td>
<td>Career development affects Organizational commitment</td>
<td>0,43</td>
<td>5,62</td>
<td>1,96</td>
</tr>
<tr>
<td>H3</td>
<td>Organizational culture and Career development, jointly affect Employee turnover intention</td>
<td>0,81</td>
<td>298,32</td>
<td>3,84</td>
</tr>
</tbody>
</table>

Source: ProcessingResultswith LISREL 8.70

The findings of the study show the novelty of the research on The Foodall with the main problem of this study is the high intention of employees to leave work, especially because the work environment is less conducive to The FoodHall in DKI Jakarta, so to reduce employee turnover intention is by

Improve employee career development by reducing or minimizing career indecision, which eliminates the anxiety that employees have about their career in the company (The FoodHall).
7. Conclusions

1. Organizational culture has a positive and significant effect on organizational commitment to employees of The Foodhall in DKI Jakarta Province. The dimensions that most reflect organizational culture are the dimensions of outcome orientation (X3) with indicators of the level of carrying out tasks according to work procedures, while the dimensions that most reflect organizational commitment are the dimensions of continuous commitment (Y2) with indicators on the level of employee loyalty.

2. Career development has a positive and significant effect on organizational commitment to employees of The Foodhall in DKI Jakarta Province. The dimensions that most reflect career development are career indecision dimensions (X12) with indicators on the level of anxiety employees have towards their careers, while the dimensions that most reflect organizational commitment are the dimensions of continuous commitment (Y2) with indicators on the level of employee loyalty.

3. Organizational culture, career development, together have a negative and significant effect on employee turnover intention in DKI Jakarta Province with a coefficient of determination ($R^2$) of 81%, this indicates that 81% of turnover intention variables are able explained together by variables of organizational culture, career development, in reducing turnover intention which are reflected in the quitting dimension with indicators due to the work environment. Important findings from this conclusion are that aside from being the most dominant variable organizational culture variables, in reducing employee turnover intention of The Foodhall in DKI Jakarta Province.

8. Theoretical Implication

Based on the results of the above research, the theoretical implication is that the turnover intention of The Foodhall employees in DKI Jakarta, especially in the Quitting dimension will be able to employees will increase if The Foodhall in DKI Jakarta Province is able to improve employee career development, especially in the career indecision dimension, which is supported by improving organizational culture, especially on the dimensions of outcome orientation.
9. Managerial Implication

The results showed that if the organizational culture with outcome orientation, career development with career indecision, that employees have is able to be united and synergized it will be able to provide a positive and significant influence on the decline in turnover intention, especially in decreasing employee quitting at Foodhall in DKI Jakarta Province.

10. Managerial Suggest

Based on the results of research and discussion it can be presented suggestions for managerial as follows:

   The decline in turnover intention is jointly influenced by organizational culture, career development, with a contribution of 81%. as a place to work.

References


