

The Mediation of Job Satisfaction in the Relation of Work Stress and Turnover Intention in Hotel Industry

Prasetyo Prasetyo, Arif Partono, Puspita Wulansari,
Suci Trisno Putri
Fakultas Ekonomi & Bisnis
Universitas Telkom
Bandung, Indonesia
partono67@gmail.com

Ramdhani Ramdhani, Abdullah Abdullah
Fakultas Sosial & Politik
Universitas Garut
Garut, Indonesia

Abstract—The study explain the effect of work stress on turnover intention through the mediation of job satisfaction in private-owned hotel in Karawang, West Java. Explanatory causal method was used to analyze the relation between variables through hypothesis testing. Nonprobability sampling method with accidental sampling technique was use to gather 100 participants. Mediation analysis using bootstrap confidence interval was used to identify the indirect effect of job satisfaction. The study reveals several findings; work stress and job satisfaction have significant effect on turnover intention. But they have different direction. Job satisfaction negatively affects turnover intention, while work stress positively affects turnover intention. Job satisfaction did not mediate the relation between work stress and turnover intention. In other words, for work stress experience by employees in this organization directly affect turnover intention. This finding can help organization to provide better stress management and promote program that can enhance employee satisfaction.

Keywords—work stress; job satisfaction; turnover intention; hotel industry; mediation analysis

I. INTRODUCTION

Every business organization have their own specific targets or goals and of course which they have to achieve these targets. Bartel stated that organization performance affected by their ability to manage their human resources [1]. This also applies to the hotel industry, especially when facing tough competition. One of indicators that tells whether the organization already well-managed their human resources was the turnover intention rate.

The higher the rate the more likely employee will leave the organization. Fah et al. argued that turnover intention is one of the serious problems in managing human resources [2]. In 2012, the average turnover rate reported was 15.2%, which show the highest in hotel industry, 33.7% [3]. The loss of potential and valuable talent will affect the organization's performance.

This research examined the effects of work stress and job satisfaction on turnover intention in a private-owned hotel which operate in West Java. The hotel industry in West Java experienced fierce competition nowadays. More hotels were

built which directly affect the competition. Price wars and other promotion become more frequently offered to attract customers. One of the important factors which they can offer was the service. This service eventually depends on how well the human resources serve their customer. It cannot be denied that the human resources play a crucial part. Organizations need to manage this valuable asset in order to be ready to engage and provide the best service. They have to maintain their best employees using human resources strategy such as developing job satisfaction and creating friendly work environment. The good and comprehensive human resources programs can help minimize employee turnover.

II. LITERATURE REVIEW

A. Work Stress and Job Satisfaction

Stress has always been known to have an inverse relationship with job satisfaction. In terms of academic study, it refers to a negative relation. Which mean if employees experience higher level of stresses then the level of job satisfaction will also decrease. The impact of stress includes decrease in performance, motivation, and satisfaction. One study from Malaysia using academicians as participant showed the negative relation between stress and job satisfaction [4]. Meanwhile, De Tienne et al. conducted study using financial service employees in USA and also found that moral stress affected job satisfaction [5]. S. Bemana et al. found the negative relation in their study in Iran [6]. The same direction also found in the study conducted in China and Pakistan. Li et al. study the community health worker in China [7], while Mansoor et al. studying the telecommunication worker in Pakistan [8]. Based on these findings, we propose the first hypothesis as below;

H₁: work stress will have a significant negative relationship with job satisfaction.

B. Job Satisfaction and Turnover Intention

Job satisfaction often explained as employee's attitude and perceptions towards their work based on the leadership style, rules and procedures, and the relation between members [9]. It

is the responsibility of both the organization and employee to make sure their job brought satisfaction. Most of studies regarding job satisfaction and turnover showed a negative relationship. When employees perceive more satisfaction in their job, their intention to quit or leave will decrease. On the contrary, if the felt not satisfied, the intention to leave will increase. Mahdi et al. in Malaysia, carry out a study on printing industry and found that intrinsic and extrinsic job satisfaction have inverse relationship with turnover intention [10]. The inverse relation also found by Saeed et al. [11]. Meanwhile, Yamazakia and Petchdee who studied the employee of the fishing industry in Thailand revealed that satisfaction with supervisor significantly affected the turnover intention [12]. Research in Japan and UK by De Moura et al. found that job satisfaction significantly negatively correlated with turnover intention [13]. The study in Malaysia, China, Taiwan and Australia using participants from healthcare industry [14-18]. They found the same finding Based on the result from previous literatures, we determine the second hypothesis as;

H₂: Job satisfaction will have significant negative effect on turnover intention.

C. Work Stress and Turnover Intention

Previous literatures found that there was positive relation between work stress and turnover intention. Employee whose perceives higher level of stress in their jobs, they have higher tendency to quit. Research from South Africa, China, and Iran defend the positive relation. Mxenge et al. conducted study in educational service found the positive relation between stress and turnover intention [19]. Furthermore, literatures focusing on health service industry and teachers also found that relation between work stress and turnover intention also headed toward the same direction [20-22]. Three study Iran using participants from educational institution [23], nurses in operating room [24] and operator in drilling company [25] found that work stress positively related with turnover intention. From western culture, Jaramillo found that the role ambiguity which can cause stress can lead to higher turnover intention in retail employees [26]. The positive direction also found in a study in a hotel [27], which indicated that occupational stress factors could predict employee’s turnover intention. Tongchaiprasit argued that job stress mediated the relation between creativity and turnover intention [28]. Most of the study argued the significant and positive relation between stress and turnover intention. However, there is one study from Tziner et al. using participants from health care industries in Israel which were not found significant link between those variables [29]. We prepare our hypothesis using most common finding.

H₃: work stress will have significant positive effect on turnover intention.

In addition to examining the effects of each variable, this study also analyze the mediation of job satisfaction in the relations of work stress and turnover intention. Therefore we propose our next hypothesis H4 that job satisfaction will mediate the effect of work stress on turnover intention.

III. METHODOLOGY

A. Participants

The overall employees of Hotel XYZ are 120. The authors distributed the questionnaire to all employees, and collected 100 participants in return (83.3% return rate). Nonprobability sampling was utilized to select the participants who were asked to complete the questionnaires in their office. Among the participants, 63% were male and 37% were female. The dominant age group is between 21-30 years. Regarding educational background, high school and diploma held 40% and 38% respectively. While the least percentage is representing the postgraduate (3%). 36% had experience between 1-3 years in the organization, 25% under 1 year, 20% between 3-5 years, 17% between 5-10 year, and 2% had greater than 10 years work experience. In terms of marital status, 57% of participants are married, 42% still single, and 1% are divorced. The detail information regarding the demographic aspects presented in table 1.

TABLE I. DEMOGRAPHIC ASPECTS

Demographics Factors	Classification	Number of Respondents	Percentage	Total
Sex	Male	63	63%	100%
	Female	37	37%	
Age	< 20	7	7%	100%
	21 - 30	49	49%	
	> 30 - 35	29	29%	
	> 35 - 40	9	9%	
	> 40 - 45	3	3%	
	> 45 - 50	3	3%	
Education	High School	40	40%	100%
	Diploma	19	19%	
	Graduate	38	38%	
	PostGraduate	3	3%	
Status	Married	57	57%	100%
	Single	42	42%	
	Separated	1	1%	
Length of Service	< 1 Years	25	25%	100%
	1 – 3 years	36	36%	
	3 – 5 years	20	20%	
	5 – 1 years	17	17%	
	> 10 years	2	2%	

B. Data Analysis

Bootstrapping approach using the PROCESS Macro for SPSS was used to test the significance of mediation [30]. This approach has been advocated as an appropriate in such cases because it avoids normality assumptions of the sampling distribution through the application of bootstrapping confidence intervals [31]. Using macro in SPSS facilitates the easy implementation of the bootstrapping. The important thing is that directly show the significance of mediation effects. For this research, Job satisfaction said to have mediation role if the value in Upper level confidence interval (UCLI) and Lower level Confidence Interval (LLCI) contain no zero value.

C. Measurement

A questionnaire consisted of 45 items were used for data collection on work stress, job satisfaction, and turnover intention. The participant asked to choose one answer that suits

with their perception. Every item has 5 answers based on Likert’s scale option from 1 - strongly disagree, 2 - disagree, 3- neither agree nor disagree, 4 – agree, and 5 - strongly agree. Job satisfaction measured with 20 item adapted from Robbins five dimension of satisfaction (supervisor, salary, peer, career development, and job) [32]. The internal consistency reliability over each three dimensions were $\alpha = .965$. Turnover intention measured with 7 items was develop based on [33]. The overall Cronbach’s Alpha was .862. The working stress was assessed with 18 items develop based on the four dimension from Enshasii et al. [34]. The Cronbach’s Alpha for the affective commitment was .944.

IV. RESULTS

The mediation analysis obtained from a macro program called PROCESS from Preacher et al. using SPSS [31]. Table 2 presents the various model coefficients and other statistics information resulted from the calculation.

TABLE II. REGRESSION COEFFICIENT, STANDARD ERROR, AND MODEL SUMMARY

	Job Satisfaction			Turnover Intention		
	Coeff	SE	p-value	Coeff	SE	p-value
Work Stress	0.135	0.097	0.164	0.271	0.097	0.006
Job satisfaction	-	-	-	-0.391	0.100	0.000
Constant	2.765	0.299	0.164	3.856	0.407	0.000
	R Square = 0.20 F = 11.969 p = 0.164			R Square = 0.173 F = 10.169 p = 0.000		

Work stress had significant positive effect on turnover intention (p-value 0.006) but did not have significant effect on job satisfaction (p-value 0,164). Meanwhile, job satisfaction had significant negative effect on turnover intention (p-value 0.000). Thus these results supported the hypothesis H₂ and H₃ and rejected H₁. Simultaneously and partially, work stress and job satisfaction can predict the level of employee’s turnover intention in this organization. Hotel employees who experience higher satisfaction will show less intention to quit. On the contrary, the less stress employee will have less intention to quit. The level of stress did not seem have influence toward the satisfaction.

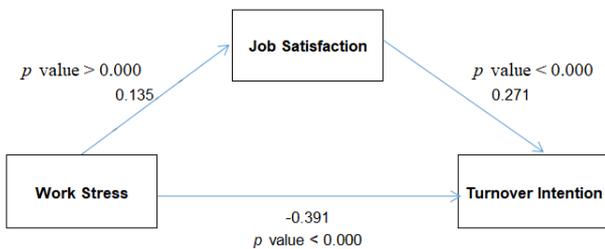


Fig. 1. The mediation model.

Regarding the mediation analysis, the result showed that job satisfaction did not mediate the relation between work stress and turnover intention. Table 3 revealed that the LLCI is

negative but the Upper Level Confidence Interval ULCI is positive.

TABLE III. INDIRECT EFFECT

Indirect Effect of Work Stress on Turnover Intention				
	Effect	Boot SE	Boot LLCI	Boot ULCI
Through Job Satisfaction	-0.053	0.050	-0.188	0.020

V. DISCUSSION

The reason for the result regarding stress at work that did not affect the satisfaction of the employee can be attributed with the type of jobs in hotel which require full commitment. Employee whose worked at hotel aware and understand the demand of their work. Works in a shift, facing various personalities from various customers, always look friendly and fun, met the customer’s demand at all-time were part of their jobs. So when they do the work, they were not felt dissatisfaction. The level of stress experienced by the employees showed moderate level. We can safely say that employees did not felt overwhelming stress in their job. The study found employee job satisfaction also at a moderate level. They quite seem enjoy their job but has not reached the level that really satisfies. Meanwhile the turnover intention show the high level based on the criteria. Most of employees tend to move out. They stay in the current organization because they did not have opportunities to quit. Usually, employees who quit are those who have above average performance. Such condition was not good for the organization. They will lose their productive employees. It is important for the organization to start thinking and producing human resources policies which could retain employees who perform well. Such policies often related with how they can make their people happy at work, love and enjoy their job. On the other hand, in order to help employee in managing their stress organization can develop discussion to identify factors which consider as the cause of stress. Early identification can help organization and employees to deal with the stressful situation.

Previous studies regarding the work stress and job satisfaction support the negative relation. Alam et al. [4] from Malaysia, De Tienne et al. from USA [5], Bemana et al. from Iran [6], Li from China [7], and Mansoor from Pakistan [8] all presents the results which lead to a negative influence from work stress on job satisfaction. The present study reveals the different result when it found no significance in the relation of both variables. The finding will expand the scope of the discussion of relationships between stress and job satisfaction. Future research could also consider that there might be non-significance findings.

Most of the previous research discussing work stress and turnover intention from South Africa [19], China [20, 21], [22], Iran [23-25], USA [26], and Thailand [28] argued that job stress have significant positive effect on turnover intention. However, one study from Preacher et al. did not find the significant relation [31]. The present study supports the notion which expressed the positive relation between both variables. Hotel employees who have lesser stress level will exhibit lower level of intention to quit.

The next comparison discussed the relation of job satisfaction and turnover intention. Most of these studies support negative relationship. Employees who perceive higher satisfaction level in their job will exhibit lower intention to quit. Research from various countries revealed such notion. [12] and [14] from Malaysia, [11] from Pakistan, [12] in Thailand, [13] from Japan and UK, [15], from China, [16] from Taiwan, [17] from Australia, and [18] from USA found the negative direction regarding the effect of job satisfaction and turnover intention. So the present study confirms and supports the positive relation. Satisfied employees do have a lower level intention to leave their organization. If they have what they wish, or if they are happy with their job, why should they have to quit.

Leaders in organization especially in hotel industry must aware that working in such industries have certain level of stress which can awake the intention to quit from the employee. The result of this study suggests that managing work stress and job satisfaction can help organizations to control the turnover. It makes sense for organization to invest in their human resources management policies which can help to overcome the work stress. Organization should identify factors affecting the level of stress of their employees. Causes of stress in organization ranging from physical environment, the organization's nature, role in organization, personal and social relationship, and individual factors. Besides those causes, there are other factors which can contribute to work stress such as; family matters, financial deficiencies, health, and life uncertainty.

It is difficult to track what are the factors for each employee. At least organization should provide channels that can be used by the employees who need. One thing that can directly apply is the job analysis. This approach can identify the work load or demand in a certain job. Identifying the difficulties and challenges in each job can be helpful for organization. They can re arrange the jobs or in the future, they can adjust the qualification for the person in charge.

The next discussion regarding practical concern is the effort from human resources to develop to great program which focus on enhancing employee's job satisfaction. Factors which often take into consideration are challenging job, clear and visible career path, friendly work environment, supportive and motivating leader, and interesting compensation package. Is not easy to develop such program, but at least with strong desire human resources department in organization could conduct step by step approach which leads to great human resources program. Comprehensive program should drive the employee to increase their work spirit.

Based on the result, organization should conduct each program independently. Job satisfaction did not mediate the effect of work stress on turnover intention. This mean organization should simultaneously develop program to reduce stress level and to enhance satisfaction. Promoting less work stress and more satisfied work environment can be an effective strategy to retain employees.

VI. CONCLUSION

Only two from three hypotheses were accepted, stress significantly positive affect turnover intention and job satisfaction significantly negative affect turnover intention. Therefore, related to mediation analysis, the relation between work stress and turnover intention was not mediated by job satisfaction. Both variables can directly predict the turnover, but in sequence, they cannot create greater impact. This study has some limitations; use of cross-sectional data, self-reported surveys, and sample limitation from one company. To improve the research, future study should implement longitudinal data which are collected over repeated observation, using more objective indicators for example supervisor reported questionnaire, and further replication of the study using different industries, culture, and greater samples. With such improvement, the research objective to obtain generalizations can be achieved. The result of wider scope studies can be more useful for human resources managers.

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