

The Mediating Role of Burnout on Job Insecurity and Turnover Intention among Automotive Sales Force in Jakarta

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ABSTRACT

During the COVID-19 pandemic, automotive sales number has been decreasing dramatically. This phenomenon definitely affects the automotive industrial sector, including its employee's work attitude. Therefore, a study to measure how it affects the sales force who holds the key position in automotive industry is necessary to conduct. The aim of this research is to investigate the mediating roles of burnout on job insecurity and turnover intention among sales force in automotive industry in Jakarta, Indonesia. This study uses quantitative non-experimental method. Three questionnaires, namely Turnover Intention Scale, Job Insecurity Scale, and Burnout Assessment Tool, are applied in this study and distributed to 154 automotive sales in Jakarta, Indonesia. The result shows that job insecurity and burnout significantly affect turnover intention. Job insecurity also contributes a significant impact on burnout. Regression analysis confirms that burnout plays a significant role that partially mediates job insecurity and turnover intention.

Keywords: automotive industry, burnout, job insecurity, sales force, turnover intention

1. INTRODUCTION

Pandemic COVID-19 has brought many effects to our lives. Not only in the health sector, this pandemic affects the economic as well. As an action to decrease and preventing the pandemic, government requires every party to conduct Large Scale Social Restrictions (LSSR). This regulation of restriction has an impact on the delay of Indonesia's economic lane. Bank of Indonesia [1] stated as for the sectors affected during the pandemic are industrial sector, trading sector, hospitality and service sector. Decreased income in these sectors are due to lower demand and supply disruption caused by the COVID-19 [1].

One of the industrial sectors affected by this pandemic is automotive industry. Based on the data from Gabungan Industri Kendaraan Bermotor Indonesia (Gaikindo) [2] it was predicted that cars sales until the end of the year touched 600.000 units or decreased up to 40% from previous year.

The decrease in car sales figures assuredly effecting the employees, especially the division which in charge of sales. Cambridge dictionary defines the sales force as an individual whose job is to sell a product both in the store and directly to prospective buyers. In Napitupulu [3] it is explained that sales force are part of the company's strategy to achieve targets advantage. The sales force responsibility is to interact directly, maintaining good

relations and accommodating customer needs through product offerings as mentioned in Napitupulu [3].

Based on interpersonal communication conducted among sales force it can be concluded that this pandemic period had an appreciable impact among sales force as stated by Anwar [4]. Sales force had to continue to carry out their responsibility to accomplish setted targets. If sales force can't reach the setted targets then they have to take the consequences that given by the company as mentioned by Anwar [4].

Ngaga and Afrilla [5] mentioned that they are mentally and emotionally exhausted regarding to the stiffness to get prospective buyers, exceedingly they experience incentive deductions from their company due to decreased sales products in this pandemic situation [5].

Automotive sales force stated that during this pandemic situation they often feel anxious about the future of their job. To confront this feeling, they often think to search another secured job as mentioned by Ngaga and Afrilla [5]. These things indicate that there is turnover intention among automotive sales force.

As mentioned by automotive sales force's supervisor in one of office branch in Jakarta [6], it is mentioned that automotive sales force's turnover rate reach 50% during pandemic situation. The supervisor also mentioned that the high rate of sales force's turnover due to the stiffness in accomplish setted targets, therefore many automotive sales

force's decide to quit the job before they had to deal with the consequences given by the company.

In the United States of America, Chaine [7] mentioned that the number of turnover among sales force reached 34.7% each year. Michael Page [8] stated that in Indonesia, the sales and marketing profession reach about 35% turnover rate. Based on the survey of Dealership Staffing Study [9], it is showed that in the US the turnover rate of automotive sales force reached 80% and is continuously increasing amounting to 6% from previous year. Chaine [7] explained that if turnover rate reaches nearly to 35% it may negatively impact the company due to excess expenditure for recruitment process and training programs for new employees.

Mobley [10] stated that turnover intention is a employee's tendency or intention to voluntary quit their job. Bothma and Roodt [11] explained that turnover intention has a positive correlation with actual turnover behavior. According to Shaw et al. [12] employee could quit their job in two different ways such as voluntary or involuntary. Lewin and Sager [13] stated that turnover intention can be caused by burnout. As defined by Maslach [14], burnout is a psychological condition experienced by an individual who has been exposed to job stressor for quite a long time. Burnout is also described as how an individual exhibits inability to adapt with job stress. As for the dimensions of burnout are exhaustion, mental distance, cognitive impairment, emotional impairment and secondary distress as formed by Schaufeli et al. [15].

Social exchange theory explained that the existence of inequity or psychological contract breach in reciprocal relationship between organization and employees can lead to negative reaction such as burnout and turnover intention as explained by Piccoli et al. [16], Piccoli et al. [17], Lee and Jeong [18]. The same things stated by Han et al. [19] employees who experience burnout will perform counterproductive work behaviors such as absent from work, lower work performance, and turnover intention.

As a sales force, it has become an obligation to interact directly with the prospective buyers. However this may contribute a negative impact on the sales force when they are unable to accomplish setted targets and fulfil prospective buyer's needs as mentioned by Lewin and Sager [13]. When sales force are unable to accomplish setted targets, it triggers feelings of reduced personal accomplishment. If sales force attributes these things to themselves, it may drain the sales force's emotional energy. On the contrary, if sales force attributes these things outside themselves, it may trigger mental distance [13].

In addition, based on our personal communication with automotive salespeople in Jakarta, Ngaga and Afrilla [5] stated that when they had tried their best to receive buyers to meet setted targets and the results were not in line with their expectation or in other words the prospective buyer cancels their order or refuses to buy the product, then they will feel burnout, especially when the supervisor reprimands them for failing in order to find a buyer. Ngaga and Afrilla [5] said the pressures that they felt during this pandemic had triggered their desire to find other jobs. It is

mentioned by Boles et al. [20] that burnout in sales force has been shown to be positively related to sales force intention to leave. Based on Srivastava and Agrawal [21], it can be explained that burnout is a result of how an individual perceive a threat over what they value. This may happen because of high demands on the tasks at work or the insufficient return of investment of resources [21].

In longitudinal study conducted by De Witte et al. [22] it was mentioned that burnout is related with well being caused by job insecurity. Maslach [23] explained that burnout can be felt by the employees after being exposed to prolonged job insecurity. Exposure to prolonged job insecurity can cause depletion of resources, exhaustion that ultimately drains their energy as explained by De Witte et al. [24].

Previous study conducted by Ismail [25], examined about job insecurity, burnout and intention to quit among Syria Bank Employees. It is stated that job insecurity correlates significantly with burnout. Ismail [25] explained that burnout arise from continues job insecurity felt by the employees. If employees are unable to handle this feelings, thus burnout will arise. Burnout related to the high number of absences and turnover intention. Swider and Zimmerman in Ismail [25] mentioned that employees with a high level of cynicism will distance themselves from their job thus actually quit their job.

Previous study conducted by Lee and Jeong [18] stated that employees can experience job insecurity as a form of violation by the company. When employees invest their energy into company, employees expect rewards given to employees in the form of secure feeling about their work. When this cannot be fulfilled by the company, it will cause a sense of job insecurity which has an impact on changes in employee behavior and the emergence of turnover intention. The results of Lee and Jeong's [18] study indicated that there is a positive correlation between job insecurity and turnover intention.

Job insecurity is a subjective experience that is formed through individual perceptions and interpretations of the state of the work environment as defined by De Witte et al. [24]. Furthermore De Witte et al. [24] stated that the feeling of job insecurity implies uncertainty about the future of the employee's job, whether an employee will lose or be able to keep his job. The phenomenon of the economic crisis that causes a company to restructure, downsize and terminate employees can trigger a sense of job insecurity among the sales force as mentioned by Lebert & Antal [26]. A similar phenomenon occurred during the current COVID-19 pandemic, where many companies have undergone organizational changes to save their businesses during difficult times.

Not many has known how job insecurity correlates with behavioral outcomes, such as turnover intention, particularly in areas outside the West Country as concluded by Lee and Jeong [18] and Staufenbiel and Konig [27]. Although burnout has shown to totally mediate job insecurity on turnover intention as in previous study conducted by Ismail [25], it is necessary to further investigate how it relates to subjects with different characteristics, such as automotive sales force in Jakarta.

Therefore, we conduct a study to investigate the role of burnout as a mediator between job insecurity and turnover intention.

Proposed hypothesis in this study are:

H1 : Job insecurity contributes a significant impact towards turnover intention

H2 : Job insecurity contributes a significant impact towards burnout

H3 : Burnout contributes a significant impact towards turnover intention

H4 : Burnout acts as a mediator between job insecurity and turnover intention

The model of this study is described in Figure 1 below:

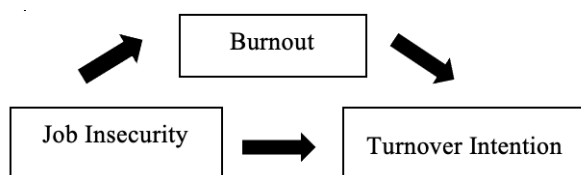


Figure 1 Research Model

2. RESEARCH METHODS

The participants of this study were 154 automotive sales in Jakarta, Indonesia. 84 of them were male (54.5%) and 70 of them were female (45.5%). This study uses quantitative non-experimental method. Collected data are then processed using IBM Statistical Product and Service Solutions (SPSS) version 25.

Before participating in this study by filling the questionnaires, informed consent was given to the participants to inform that the data they provide is kept confidential and will only be used for academic purposes. The questionnaires used in this study were 4-item Job Insecurity Scale (JIS) by De Witte [25] (example: "Chances are, I will soon lose my job"), Schaufeli et al. [20] 33-item Burnout Assessment Tool (BAT) (example: "At work, I feel mentally exhausted"), and 10-item Turnover Intention Scale (TIS) from Department of Research and Measurement, Faculty of Psychology, Universitas Tarumanagara (example: "I'm actively looking for another company as an alternative place to work"). JIS and BAT were measured on a five-point Likert Scale (1 = Strongly disagree to 5 = Strongly agree) and (1 = Never to 5 = Always). TIS was measured on a four-point Likert Scale (1 = Strongly disagree to 4 = Strongly agree). Table 1 shows reliability coefficient of Cronbach's Alpha of each scale which suggests that the questionnaires are suitable for measuring the variables:

Table 1 Cronbach's Alpha

Scale	Alpha Cronbach
JIS	0.897
BAT	0.951
TIS	0.867

3. RESULTS

The result of data analysis that used to investigate the hypothesis are described below:

Hypothesis 1: Job insecurity contributes a significant impact towards turnover intention.

Table 2 Test Result of Single Regression Analysis of Job Insecurity towards Turnover Intention

	Standardized Coefficients (β)	t	F	p
Job Insecurity	0.650	10.534	110.972	0.000
Dependent Variable : TI				

Table 3 shows that job insecurity contributed 42.2% impact towards turnover intention. The result of the analysis is as follows:

Table 3 Contribution of Job Insecurity towards Turnover Intentions

R	R square	Adjusted R square	Std. Error of the Estimate
0.650	0.422	0.418	0.43912

Hypothesis 2: Job insecurity contributes a significant impact towards burnout

Table 4 Test Result of Single Regression Analysis of Job Insecurity towards Burnout

	Standardized Coefficients (β)	t	F	p
Job Insecurity	0.593	9.081	82.473	0.000
Dependent Variable : BO				

Table 5 shows that job insecurity contributed 35.2% impact towards burnout. The result of the analysis is as follows:

Table 5 Contribution of Job Insecurity towards Burnout

R	R square	Adjusted R square	Std. Error of the Estimate
0.593	0.352	0.347	0.56216

Hypothesis 3 : Burnout contributes a significant impact towards turnover intention

Table 6 Test Result of Single Regression Analysis of Burnout towards Turnover Intention

	Standardized Coefficients (β)	t	F	p
Burnout	0.636	10.172	103.460	0.000
Dependent Variable : TI				

Table 7 shows that burnout contributed 40.5% impact towards turnover intention. The result of the analysis is as follows:

Table 7 Contribution of Burnout towards Turnover Intention

R	R square	Adjusted R square	Std. Error of the Estimate
0.636	0.405	0.401	0.44553

Hypothesis 4 : Burnout mediates job insecurity and turnover intention

Table 8 Test Result of Multiple Regression Analysis of Job Insecurity, Burnout towards Turnover Intention

	Standardized Coefficients (β)	t	F	p
Job Insecurity	0.420	5.991	81.554	0.000
Burnout	0.387	5.528		0.000
Dependent Variable : TI				

Table 9 shows that job Insecurity and burnout contributed 51.9% towards turnover intention

Table 9 Contribution of Job Insecurity and Burnout towards Turnover Intention

R	R square	Adjusted R square	Std. Error of the Estimate
0.721	0.519	0.513	0.40179

Further analysis based on sobel test shows that burnout significantly plays as a mediator of correlation of job insecurity and turnover intention.

Table 10 The Result of Sobel Test

	Test Statistic	p Value
Sobel Test	4.06272133	0.0000485

4. CONCLUSION

The output of data process shows that job insecurity significantly impacts turnover intention as well as burnout. Burnout contributes a significant impact towards turnover intention. When burnout is placed as a mediator, it successfully mediates the correlation of job insecurity and turnover intention. Therefore, all of our hypotheses are accepted.

5. DISCUSSION

The results in this study showed that job insecurity significantly affects turnover intention. This result is in line with previous study conducted by Lee and Jeong [18] as mentioned earlier. When employees invest their energy into company, employees expect to receiving rewards from the company as a form of feel secure for their job. When this cannot be fulfilled, it will cause a sense of job insecurity which has an impact into changes in employee behavior and the emergence of turnover intention. Furthermore, the results of this study are also in line with research conducted by Ismail [25] where job insecurity significantly impacts turnover intention. Although the participants in this study were different from participants in previous studies, this study still showed similar results. Furthermore, the results of this study indicate a role of job insecurity towards burnout. This is consistent with the review from longitudinal studies conducted by De Witte et al. [22] which stated that burnout is an aspect of work related well being which caused by job insecurity. Moreover, the result of the role of job insecurity on burnout are also in line with previous study conducted by Ismail [25] which stated that prolonged chronic exposure to job insecurity could lead to wearing out of resources, feeling exhaustion and eventually draining the energy. Moreover, the results showed that burnout has a role towards turnover intention among automotive sales force in Jakarta. This result is in line with Han et al.'s study [19] that explained when employees experience burnout, counterproductive behavior will arise, such as turnover intention.

Regarding burnout as a mediator, the results of this study indicate that burnout is significantly (partially) mediating between job insecurity and turnover intention. In other words, when burnout is placed as a mediator between job insecurity and turnover intention, the standardized beta coefficient of job insecurity on turnover intention decreases but remains significant. This is in line with previous study conducted by Lee and Joeng [18] where the mediating variable in Lee and Jeong's [18] study acts as partial mediator between job insecurity and turnover intention. Compared to Ismail's [25], the results of this study are not in line with Ismail [25] study, where as in Ismail's [25] burnout significantly (fully) mediates between job insecurity and turnover intention. However, there are differences between the study conducted by Ismail [25] and ours. The study conducted by Ismail [25]

involved Syria's bank employee's as participants while this study involved automotive sales force in Jakarta as participants. Furthermore Syria, as location setting of Ismail's study has a distinctive phenomenon where there's a civil war in Syria, therefore this situation affects the Syrian's well-being.

The results of our hypothesis analysis in this study are in line with the social exchange theory. It is explained by Piccoli and De Witte [16] and Piccoli et al. [17] that when a psychological contract breach occurs or there is an inequity in the reciprocal relationship between employees and the organization it will trigger a negative reaction such as burnout and turnover intention. When sales force invest their efforts into the organization, they expect reciprocity from the organization as well, such as security of their work. When this cannot be fulfilled by the organization, it will lead to job insecurity [17]. Job insecurity that felt by the sales force then will trigger various negative reactions such as burnout thus turnover intention [17] [24] [18].

This research is limited to one industrial sector, namely sales force in the automotive sector because the literature on research related to job insecurity, burnout and turnover intention among automotive sales force in Jakarta is rare, so we are interested to investigate these relationships. Therefore, we suggest further research to develop and look for another job characteristics in other industrial fields. We also suggest further research to look for other factors that can mediate the role of job insecurity towards turnover intention.

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