



# Analysis of Job Satisfaction on Employee Engagement Impacted on Turnover Intentions at PT Hilti Nusantara's Account Manager

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**Abstract.** This research was conducted at PT Hilti Nusantara addressed at The Garden Center Building Level 3, Unit 3–11 Cilandak Commercial Estate, Cilandak KKO Street, Pasar Minggu, South Jakarta. This study aims to examine the Job Satisfaction on Employee Engagement Impacted on Turnover Intentions at PT Hilti Nusantara Account Manager. This research is a quantitative type of research that uses causality and inferential. The number of samples in this study was 43 respondents. In accordance with the hypothesis that has been formulated, inferential statistical data analysis was done using SmartPLS (Partial Least Square) software. Based on testing that has been done, the test of the significance of direct influence shows that the independent variable (Job Satisfaction) has a positive and significant effect on the improvement variable (Employee Engagement). Satisfaction with Pay, Satisfaction with Promotion, Satisfaction with co Worker, Satisfaction with Supervisor, and Satisfaction with Work itself can influence Employee Engagement by 38% and Turnover Intention by 64.5%.

**Keywords:** Job satisfaction · employee engagement · turnover intentions

## 1 Introduction

Nowadays, employee turnover is common to happen, including for companies in Indonesia. The number of employees who leave the company or resign causes turnover. Turnover can result in losses for the company through the loss of talented human assets [1]. Therefore, the company needs to take strategic steps to prevent it.

Factors that affect turnover are external (moving job) and internal (lack of job satisfaction). A salary difference may cause external factors. Employee engagement must be built to provide two-way benefits for both the company and employees. One of the companies affected by vuca's current condition is PT Hilti Nusantara. In the company, employee engagement (interest in the company) is still relatively low, and the turnover rate is high. Therefore, PT Hilti Nusantara's Account Manager needs to advance the company.

In PT Hilti Nusantara, turnover occurred from 2017 to 2021, with the highest turnover occurring in 2021, reaching 26%. High employee turnover is often used to indicate a

fundamental problem with the company. This survey is conducted annually as one of the global strategies, and the survey is called the Global Employee Opinion Survey (GEOS). GEOS survey data explains that there is an influence on job satisfaction from some Account Managers, resulting in increased or decreased employee engagement. This is also called turnover intention. Therefore, employee engagement is very nurturing towards turnover intentions. Watson defines job satisfaction as the level of pleasant feelings gained from assessing a person’s work or work experience [2]. According to Wibowo [2], the job satisfaction dimensions include: 1) Pay Satisfaction (satisfaction with salary). 2) Promotion Satisfaction (satisfaction with promotion). 3) Satisfaction with co-workers (satisfaction with colleagues). 4) Satisfaction with supervision (satisfaction with superiors) and 5) Satisfaction with work itself. According to Dehghanpour [3], defines employee engagement as a positive, satisfying mental state related to work. The dimensions of employee attachment or employee engagement in this study used the Utrecht Work Engagement Scale (UWES), which consists of 17 items: 6 items to measure morale (vigor), 6 items to measure dedication (dedication), and 5 items to measure absorption. Melky [4] says turnover intentions in employees are individuals to change jobs by considering the organization’s monetary wages. The dimension of turnover intention is seen from several factors, including; 1) Seen when there are employees who are already planning to leave the company and 2) Seen when there are employees who are already unhappy but try to stay in the company because they still have confidence there are good things that the company has.

Windy, Musa, and Herein [5] studied the influence of job satisfaction factors on employee engagement in the Perwiratama group. The study results showed that the first hypothesis stated that “satisfaction in the work itself has a positive effect on employee engagement in Perwiratama Group”.

Research conducted by Affini and Surip [6] showed that job satisfaction directly affects employee engagement. The study results are consistent with research conducted by Kattili et al. [7] that showed that job satisfaction positively affects employee engagement (Fig. 1).

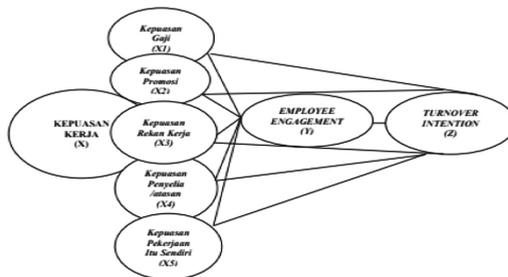


Fig. 1. Conceptual Outline Chart.

## 2 Research Methods

This study applied a quantitative approach as a scientific method (concrete, objective, measurable, rational, and systematic) and a causal research approach to investigate causation. The research design used survey methods and questionnaires. Statistical analysis was used to test hypotheses [8].

The research was conducted in March 2022 at PT Hilti Nusantara. The population was all 43 Account Managers of PT Hilti Nusantara. For samples using saturated sampling techniques (census). Saturated sampling is an example determination technique when all population members are used as examples [9]. Data Collection methods were carried out by employing; a) Interviews, b) Questionnaires, and c) Literature Studies. Data quality testing used validity and reliability tests. Data analysis methods were carried out with descriptive and referential statistics (measured by outer model, inner model, hypothesis testing, and T-test. In the T-test, the significance support measure compared T-table and T-statistic values for significant proof with a confidence level of 95% and an error rate of 5%.

## 3 Results and Discussion

Whether or not a research instrument item is valid can be known by looking at the results of the total value of the T-table correlation item with the T-statistic at the significance level of 5% (0.05). If the probability of correlation result (sig) is smaller than 0.05 (5%), then the research instrument item is declared valid, and vice versa; when the probability of correlation result (sig) is higher than 0.05 (5%), then the research instrument item is declared not valid [10].

Job satisfaction (satisfaction with salary, satisfaction with promotion, satisfaction with colleagues, satisfaction with superiors, satisfaction with the work itself) has a positive effect on employee attachment or employee engagement of Account Manager of PT Hilti Nusantara. The dimension of satisfaction with salary is the most significant effect.

Satisfaction with Salary (X1) - The recommended implication is that PT Hilti Nusantara must be able to create a salary/compensation system that directs humans as investments, the emphasis is Return On Investment (ROI). Compensation payment systems exist that are structured, and some are unstructured. Payments like this are based more on negotiations between professional skills and companies. A structured method is a method that uses elements of assessment of a position in the company.

The data from this study explains that most Account Managers are aware that when their performance is good, they will get a basic salary increase in the coming year so that their compensation increases from the previous year. This gives more motivation to you. The company directly feels the negative impact if this policy is eliminated, when the company is forced to eliminate the annual base salary increase (Merit Increase) from the performance in 2020 for 2021 due to the Covid-19 pandemic situation. This is one of the triggers for reduced job satisfaction, so there is a turnover of 26%.

From the analysis of the dimension of satisfaction with salary, it is also known that there is 27.91%.

Satisfaction with Promotion (X2) - The recommended implication is that PT Hilti Nusantara must provide an opportunity to get a promotion for each Account Manager.

**Table 1.** Validity Test by Loading Factor

	X1	X2	X3	X4	X5	Y	Z
X1.1	0,822						
X1.10	0,851						
X1.11	0,833						
X1.12	0,839						
X1.2	0,933						
X1.3	0,852						
X1.4	0,915						
X1.5	0,929						
X1.6	0,889						
X1.7	0,888						
X1.8	0,941						
X1.9	0,876						
X2.1		0,906					
X2.10		0,945					
X2.2		0,956					
X2.3		0,931					
X2.4		0,919					
X2.5		0,906					
X2.6		0,913					
X2.7		0,943					
X2.8		0,936					
X2.9		0,896					
X3.1			0,887				
X2.10			0,922				
X3.11			0,914				
X3.12			0,899				
X3.13			0,937				
X3.14			0,922				
X3.15			0,947				
X3.2			0,905				
X3.3			0,877				
X3.4			0,89				

(continued)

**Table 1.** (continued)

	X1	X2	X3	X4	X5	Y	Z
X3.5			0,861				
X3.6			0,968				
X3.7			0,923				
X3.8			0,863				
X3.9			0,862				
X4.1				0,931			
X4.10				0,933			
X4.11				0,903			
X4.12				0,896			
X4.13				0,951			
X4.14				0,946			
X4.15				0,762			
X4.16				0,859			
X4.2				0,785			
X4.3				0,911			
X4.4				0,908			
X4.5				0,896			
X4.6				0,91			
X4.7				0,908			
X4.8				0,9			
X4.9				0,897			
X5.1					0,869		
X5.10					0,896		
X5.11					0,917		
X5.12					0,904		
X5.13					0,899		
X5.14					0,915		
X5.2					0,898		
X5.3					0,888		
X5.4					0,869		
X5.4					0,889		
X5.5					0,91		

(continued)

**Table 1.** (continued)

	X1	X2	X3	X4	X5	Y	Z
X5.6					0,88		
X5.7					0,88		
X5.8					0,893		
X5.9					0,896		
Y1						0,778	
Y10						0,819	
Y11						0,85	
Y12						0,896	
Y13						0,926	
Y14						0,912	
Y15						0,881	
Y16						0,855	
Y17						0,848	
Y2						0,872	
Y3						0,863	
Y4						0,864	
Y5						0,892	
Y6						0,84	
Y7						0,869	
Y8						0,927	
Y9						0,85	
Z1							0,897
Z10							0,912
Z11							0,914
Z2							0,71
Z3							0,58
Z4							0,843
Z5							0,893
Z6							0,912
Z7							0,909
Z8							0,901
Z9							0,841

**Table 2.** Hypothesis Testing Results

No.	Hypothesis	Results
1.	Job satisfaction with the dimension of satisfaction to salary has a positive effect on employee attachment or employee engagement & turnover intentions	Hypothesis Accepted
2.	Job satisfaction with the dimension of satisfaction towards promotion has a positive effect on employee engagement or employee engagement & turnover intentions	Hypothesis Accepted
3.	Job satisfaction with the dimension of satisfaction with colleagues has a positive effect on attachment employee or employee engagement & turnover intentions	Hypothesis Accepted
4.	Job satisfaction with the dimension of satisfaction with supervisors/superiors has a positive effect on employee attachment or employee engagement & turnover intentions	Hypothesis Accepted
5.	Job satisfaction with the dimension of satisfaction with the work itself has a positive effect on employee attachment or employee engagement & turnover intentions	Hypothesis Accepted
6.	Employee attachment or employee engagement has a positive effect on turnover intentions	Hypothesis Accepted
7.	Employee engagement significantly mediates the relationship between job satisfaction and turnover intentions	Hypothesis Rejected

The questionnaire results showed the expectations of 60.47% of respondents entitled to a promotion. Because with promotions, their income will increase.

Satisfaction with Colleagues (X3) - The recommended implication is that PT Hilti Nusantara must be able to continue to provide interaction space and make the work environment as comfortable as possible. Account Managers strongly feel that the relationship with colleagues is already going well, and they enjoy working here because of their fun friends.

Satisfaction with Superiors (X4) - The recommended implication is that the management of PT Hilti Nusantara, together with the Area 79 Sales Manager, continues to show attention to and support the Account Manager. The questionnaire results showed that 65.12% of respondents were comfortable working with their superiors. The results showed that 37.21% of respondents felt less satisfied during the communication process of determining its target.

Satisfaction With The Job Itself (X5) - The recommended implications are that the management and ASM of PT Hilti Nusantara must be able to identify the difficulties felt by the Account Manager and help them deal with these difficulties. The questionnaire results explained that 39.53% of respondents felt that they had not been fully able to complete their work correctly.

Job satisfaction (satisfaction with salary, satisfaction with promotions, satisfaction with colleagues, satisfaction with superiors, satisfaction with the work itself) has a positive effect on the turnover intentions of PT Hilti Nusantara Account Manager. The dimension of satisfaction with salary is the most significant effect.

Employee Attachment (Y) & Turnover Intention (Z) - The recommended implication is that PT Hilti Nusantara must be able to build job satisfaction so that the Account Manager is more bound and not turnover. The company must be able to build excitement so that employees love the organization and its work, by creating effective communication so that it can be understood what employees want.

Engagement is like establishing a relationship between one party and the other. Must have honesty and trust between the two. Mutual care and respect, effective communication 80 provide constructive input, help each other and be grateful for each other.

Building employee attachment to the company is also the same; they must have each other these positive things so that the two parties are attached. If it is tied to the company, the employee will not have negative thoughts, one of which is to leave the company.

Attachment or company. Data from this study showed that 46.51% of respondents had the intention to leave the company when this survey was conducted. This is certainly an important warning for PT Hilti Nusantara to take precautions because the data also shows that the turnover percentage at PT Hilti Nusantara has consistently been above 10% in the last five years.

## 4 Conclusion

This study shows that the six hypotheses proposed are empirically proven. The basis for deciding the acceptance of the hypothesis in this study is the loading value of all variable factors with a loading value of  $> 0.7$ . The Average Variance Extract value of the entire AVE variable  $> 0.5$ , the Composite Reliability Value of the entire CR variable  $> 0.7$ , Cronbach's alpha value of the entire CA variable  $> 0.7$ , and the significance test of the influence of the entire variable is positive.

Hypothesis 7 is rejected because the employee engagement variable Y does not significantly mediate job satisfaction (satisfaction with X1 salary, satisfaction with X2 promotion, satisfaction with X3 co-workers, satisfaction with supervisors/superiors X4, satisfaction with the work itself X5) and turnover intention Z. P-Values mediation testing value  $> 0.05$ . The company needs to increase employee engagement and prevent turnover. Further research can use similar variables in the same company, namely PT Hilti Nusantara or other companies when conditions get normal.

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