Effect of Career, Organizational Commitment on Turnover Intention through Mediation of Organizational Culture: Evidence from Indonesian Companies

Nico Alexander Vizano1, Wiwik Utami2, Sigitin Johanes3, Aty Herawati4, Havis Aima5, Achmad H Sutawijaya6, Agus Purwanto7, Joko Supono8, Puji Rahayu9, Aris Setiyanii10, C Catur Widayati11, Farida Elmi12

1,2,3,4,5,6,8,10,11,12 Universitas Mercu Buana, Indonesia
3 Pelita Harapan University, Indonesia
7 Universitas Muhammadiyah Tangerang, Indonesia
*Corresponding email: nick.umb2018@gmail.com

ABSTRACT
The goal of this paper is to analyse the effect of career on organisational culture, to examine the influence of the organisation’s commitment on organisational culture, to study the influence of career in the intention of turnover and to examine the influence of organisational commitment in the intention of turnover. The analytical approach for this research used the LISREL software for SEM analysis. The population in this research included permanent employees of the Indonesian car industry, totalling 351. The study included Structural Equation Model (SEM). Easy random sampling methods distributed the questionnaire. The results of the survey were 263 respondents. The findings of this study are career-related and have a positive effect on organisational culture, meaning career plays a major role in improving the corporate culture. Organisational engagement is positively and significantly influenced by organisational culture. The career has a negative and significant impact on corporate intention. Organisational culture has a detrimental and critical influence on the intention to turnover.

Keywords: Career, Organizational Culture, Organizational Commitment, Turnover intention

Correspondence: Nico Alexander Vizano
Universitas Mercu Buana, Indonesia
Email: nick.umb2018@gmail.com

INTRODUCTION
The more and more advanced age of globalisation, also referred to as industrial 4.0, needs any company to be able to compete against other competitors. Many of the techniques are adopted by the firms, including marketing strategies, development strategies, cost strategies etc. Various techniques, including increased efficiency by recruiting or training, have been implemented in the administration of the human resources strategy; however, no less critical is the maintaining of the turnover rate. According to Harvey (2013), globalisation and increasing business rivalry have led to a talent challenge for businesses competing to hire and retain talented workers. Total sales are usually classified into voluntary and unintentional sales. Intentions of voluntary turnover are when workers want to quit working under their own decision (Hausknecht, et al. 2011; Selden and al. 2000; Shaw, et al. 1998). Many researchers established factors influencing the willingness to change workers, Lee et al. (2017). These can be grouped into various characteristics such as sex, working age, working length (Cho et al. 2012; Jung, 2010; Pitts, et al. 2011; Wynen, et al. 2013), the company managerial category. (S. Kim, et al. 2017; Lee et al. 2012; Moynihan et al. 2007). Categories of work satisfaction with various determinants, such as task type, pay and other benefits (Jin et al. 2016; Jin et al. 1991; Wang et al. 2012), as well as categories relating to supervisors and coworkers (Pitts et al. 2011; Wynen et al. 2013) a

For organisations it is critical to retain talented workers, maintain efficiency and sustainability. Employees are an essential commodity of the company in a dynamic market world. Employee participation influences the organisation’s success and sustainability. Workers are required to satisfy the organisational criteria and priorities (Arokiasamy, et al. 2010). Many businesses therefore have high aspirations beyond employee skills. In organisation, retention of the best people is as critical as pursuing technical innovations (Kuean, et al. 2010 & Dawley, et al. 2010). Kuean et al, 2010. says it is an open secret that employers compete on the job market to retain their competitive edge productive, creative, and inventive workers. In Chowdhury Abdullah et al. (2017), several experts say that the company’s strength is workers, so the company must take the initiative to inspire its staff to boost the overall performance of the employee.

To effectively achieve organisational goals, good supervision of employee turnover intentions is important. If staff changes arise, administrators incur extra costs in exiting, searching and retaining the employees (Pitts et al. 2011). Zhang (2016) said in his research that, as turnover occurs, costs include hidden costs such as low moral standards for workers, diminished credibility for company, lost business chances and a variety of additional negative impacts. A more detailed understanding of the desire to switch employees is important in order to minimise sales intentions, in particular to figure out what triggers the desire to switch employees. Professionally, Indonesia’s volunteer turnover is very high, focusing solely upon technology industry, 15.8%. In view of the importance of retaining figures for business growth, the players in the company should think difficult to find and execute different strategy to advance their business, one of which is how employee transfers to other firms are prevented, for reasons that the organisation has to understand immediately. According to Yong Lu et al (2017), the motivation to move is often affected by different factors, such as job anxiety, working violence, labour stress, employment satisfaction, revenue, organisational engagement and job satisfaction. In its study, Chowdhury
Abdullah et al. (2017) have reported that satisfaction with jobs is the primary determinant for turnover. Several previous studies have supported this finding (Ghayas, 2012; Abdul Hamid et al., 2015; Ali et al., 2019). Kessler (2014) has shown, in his study, that corporate culture has an impact on corporate conduct and was described as being potentially mediators of the urge to travel (Dwivedi et al.; Kee, 2010; Yeun et al., 2015). Research has shown that the urge to improve workers is linked with the corporate culture, (Medina, 2012; Han & Yeune, 2015). Kee (2010) shows workers are likely to transfer if corporate culture does not fulfill their standards. Emerson (2013) explores the culture of organisation, work satisfaction, motivation and mediation function of the perceived organisational help. The results suggest an essential correlation with the intention to move in organisational culture. In their research, Kuo, et al. (2013) found that job satisfaction is a major mediator between work stress and motivation to move; the findings of this study are in line with Lu et al. (2012) research. Niguse (2018) notes that the relationship between a culture of sport and a willingness to travel mediates favourably in work satisfaction. Study Adeoye et al. (2014) found that the impacts of compensation on work satisfaction had a positive and substantial impact (Terera, et al. 2014; Tetley 2006; Gladele John 2018). In their study, Khan, et al. (2014) found that promotion (career) has a positive influence on work content and is mediated by job satisfaction on the intentions of turnover (Dawson, 1987; Nguyen, et al. 2003; Hall, et al. 1999; Hsu, et al. 2003; Steel et al. 2002; Shore et al. 2003; Steel, et al. 2002; Prince, 2005). Corporate culture is linked to the purpose to move and hence turnover is minimised if an individual displays a positive attitude and assigns high importance to the culture of company. Subsequent research such as Booth et al. 2007; Lok et al. 1999; MacIntosh et al. 2010; Park et al. 2009; Shim 2010; and Silverthorn 2004 support this. This finding. All these researchers suggest the organisation’s atmosphere foreshadows employee sales intentions. Schein (1992) also found that the corporate culture controls traditional beliefs, conditions and assumptions in workplaces of workers. The positive will reduce the intention to reach a sales volume, because workers are more enthusiastic and polite in such a work atmosphere (MacIntosh, et al. 2010). The method of defining people with different events in their environment and how they assess commitment to their lives (2013) lies within the framework of organisational culture, which is a precedent of organisational commitment. Cohen (2013). Study findings from Olulana (2015) indicate that organisation’s culture influences job stress statistically in organisations. Organizational values can have a profound effect on the attitudes of staff and their actions and organisational culture, as they can give rise to the kind of ties between employees which strengthen Monga’s involvement and efficiency, and other employees (2015) can instead lead to stress. Stressors are therefore understood to be any case, circumstance or condition that can trigger a person’s negative emotion, Ouchi (1981). Acar (2012) notes that ensuring that workers produce sustainable job outcomes can have beneficial effects on employee organisation engagement. In these cases, workers are more sensitive to the corporate culture. Meyer et al. (2010) indicates that corporate employee involvement can be improved by adapting the corporate culture to the specific organisation (culture). This is very useful in terms of corporate transition. Changing leadership behaviour also has a favourable connexion to Ozsahin et al. (2015). According to Ellinger, etcetera 2013, the beneficial impact of corporate capital spending on corporate engagement, efficiency and employee citizenry. Moreover, peer reinforcement is of various kinds, depending on the organisational culture, impacting organisational engagement (Limpanitgul et al., 2014). The goals to be achieved are as follows, on the basis of the problem formulation in this study:

1. Examine how professions affect corporate culture
2. To evaluate the impact of organisational interaction on corporate culture
3. To look at the effects of occupations in terms of sales
4. To determine the effects on the turnover intention of the organisational commitment
5. To research the effect of the corporate culture on turnover

**METHOD**

SEM processing was used with the LISREL software in the analysis process. The structural equation model (SEM) incorporates factor analysis and regression analysis as a multivariate statistical technology. The aim of SEM analysis is to examine the relationship among complex variables in order to gain an integrated overview of the model. Latent variables and observational variables are included in those variables. The latent variable is a variable made up of various proxies shaped as the observed variable. The variable observed is the variable that can be observed and calculated for the quantitative approach used in this study. The data was gathered through the distribution of questionnaires to all workers in Indonesia of the automotive sector. The query was closed except in the form of a semi open questionnaire for questions / statements on the identity of respondents. The five response options given to each closed question / statement item are: strong agreement (SS) score 5, agreement (S) score 4, disapproval (KS) score 3, disagreement (TS) score 2 and strong disagreement (STS) score 1. The processing method is using PLS and the tool version 3.0 of SmartPLS software. Fresh variable forming (variable of overriding or latent).

---

**Table 1. Information of Sample Description**

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Amount</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age (per October 2019)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt; 30 years</td>
<td>56</td>
<td>25.41%</td>
</tr>
<tr>
<td>30 - 40 years</td>
<td>103</td>
<td>46.60%</td>
</tr>
<tr>
<td>&gt; 40 years</td>
<td>62</td>
<td>27.99%</td>
</tr>
<tr>
<td>Tenure as a permanent employee</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt; 5 years</td>
<td>79</td>
<td>35.66%</td>
</tr>
</tbody>
</table>
The research included a total of 351 permanent workers from an automotive industry in Indonesia. Easy random sampling methods distributed the questionnaire. There were 263 results (74.93 percent of the population) returned from the study, and eligible samples were 221. Thus 84.03% of questionnaires collected are accurate.

The aims of the hypothesis are as following, based on the formulation of the problem in this study:

H1: Profession affects organisation’s culture
H2: The organisation’s participating impacts corporate culture positively and dramatically
H3: Profession has a positive and valuable impact in terms of turnover
H4: Optimistic, important impact on turnover intentions is the corporate commitment
H5: The optimistic and important impact of organisational culture on the intention to settle

RESULT AND DISCUSSION

Validity Test (CFA Test / Confirmatory Factor Analysis)
This is to establish whether any indicator can explain established constructions by the CFA test or a Constructing Validity Test. According to Ghozali (2014: 223), the value of the standard loading factor (Estimate value) is less than 0.50 so the indicator is declining because it is called invalids in measuring the latent construction. The indicators used to calculate research variables are those with loading factor > 0.5 while indicators with a charge factor of < 0.5 have been excluded from the model.

Table 2. Validity Test Result

<table>
<thead>
<tr>
<th>Code Indicator</th>
<th>SLF</th>
<th>Standard Errors</th>
<th>Reliability</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>CR ≥ 0.70</td>
<td>VE ≥ 0.5</td>
</tr>
<tr>
<td>X1.1</td>
<td>1.34</td>
<td>0.45</td>
<td></td>
<td>Valid</td>
</tr>
<tr>
<td>X1.2</td>
<td>1.32</td>
<td>0.87</td>
<td></td>
<td>Valid</td>
</tr>
<tr>
<td>X1.3</td>
<td>1.40</td>
<td>0.30</td>
<td></td>
<td>Valid</td>
</tr>
<tr>
<td>X1.4</td>
<td>1.39</td>
<td>0.22</td>
<td>0.97</td>
<td>0.80</td>
</tr>
<tr>
<td>X1.5</td>
<td>1.40</td>
<td>0.33</td>
<td></td>
<td></td>
</tr>
<tr>
<td>X1.6</td>
<td>1.35</td>
<td>0.57</td>
<td></td>
<td></td>
</tr>
<tr>
<td>X1.7</td>
<td>1.30</td>
<td>0.50</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
In the table above, it can be seen if the loading factor value for all indicators is above 0.5, this shows that the indicator can explain the existing construct (valid indicator).

**Reliability Test**

The reliability test shows to what degree a measuring system will produce the same results when re-measured on the same item. The reliability value indicated is higher than 0.7. Although the suggested measure of viability for the variance derived is greater than 0.5. The CR and VE results can be seen in table 1 above. The findings from Construct Reliability for all variables are greater than 0.70, with Variance Extract above 0.5, so it can be inferred that these variables have been accomplished with reliability.

**Goodness of Fit Test (Model Feasibility Test)**

The suitability of the model is being evaluated against different parameters at this point. In 2012 in Haryono, 2017: 243, Ghozali notes that the overall level of fitness can be measured on the basis of at least five parameters. In observational research, a researcher is not expected to fulfill all fitness requirements, but it depends on every researcher’s judgement or decision. A table of parameters for determining fitness and the results is given as follows:

### Table 3. Criteria and Results of Goodness of Fit Test

<table>
<thead>
<tr>
<th>Ukuran Goodness Of Fit</th>
<th>Model Fit</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Good Fit</strong></td>
<td></td>
</tr>
<tr>
<td>Normed Chi-Square (χ²/df)</td>
<td>&lt; 2.0</td>
<td>1.489</td>
</tr>
<tr>
<td>P Value</td>
<td>0.05 ≤ p ≤ 1.00</td>
<td>0.01</td>
</tr>
<tr>
<td>Root Mean Square Error (RMSEA)</td>
<td>&lt; 0.08</td>
<td>0.048</td>
</tr>
<tr>
<td>Goodness of Fit Index (GFI)</td>
<td>≥ 0.90</td>
<td>0.87</td>
</tr>
<tr>
<td>Adjusted Goodness of Fit Index (AGFI)</td>
<td>≥ 0.90</td>
<td>0.83</td>
</tr>
<tr>
<td>Normal Fit Index (NFI)</td>
<td>≥ 0.90</td>
<td>0.99</td>
</tr>
</tbody>
</table>
The table above indicates that the value of R Square is 0.84 for the organisational culture variable, meaning that 84% of the organisational culture variable can be described by the two independent variable variable variables: profession and corporate participation, while 16% of the variables rest. This study model does not cover other variables. Whereas the value of R Square is 0.96 for the intention variable of turnover, 96 percent of the variability of the intention variable can be clarified by three separate variables, namely profession, organisation and organisational culture, while the other 4 percent are illustrated by other variables not included in this model of study.

1. Test of Influence Between Variables
This test is to assess if the independent variables are substantially affected by the dependent variable. By comparing the t value with 0.05: the basis of decision making (Haryono, 2017:330) 
- If t is 1.96, H0 is refused [influence exists] 
- H0 is accepted (no effect) if the t value < 1.96

Table 5. Effect Test Between Variables

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Correlation</th>
<th>Estimates</th>
<th>T-Values</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Carrier -&gt; Org Culture</td>
<td>0.59</td>
<td>5.81</td>
<td>Positive &amp; Significant</td>
</tr>
<tr>
<td>H2</td>
<td>Org Commitment -&gt; Org Culture</td>
<td>0.34</td>
<td>3.42</td>
<td>Positive &amp; Significant</td>
</tr>
<tr>
<td>H3</td>
<td>Carrier -&gt; Turnover Intention</td>
<td>-0.32</td>
<td>-3.60</td>
<td>Negative &amp; Significant</td>
</tr>
<tr>
<td>H4</td>
<td>Org Commitment -&gt; Turnover Intention</td>
<td>-0.23</td>
<td>-2.80</td>
<td>Negative &amp; Significant</td>
</tr>
<tr>
<td>H5</td>
<td>Org Culture -&gt; Turnover Intention</td>
<td>-0.47</td>
<td>-6.05</td>
<td>Negative &amp; Significant</td>
</tr>
</tbody>
</table>

On the basis of Table 5, the t-value of professions in corporate culture is above the value of t table (5.81 > 1.96), with an assumption that the career’s influence on the culture of company has a positive and important effect. The organisational contribution to corporate society reaches the value of 3.42.96 and is of positive value such that corporate participation has a positive impact on corporate culture. The value of worker in turnover is higher than the t value of the table — 3.60 > 1.96, as well as the negative value that allows work to have a major negative impact on the purpose of turnover. The t-value is higher than the t-table value of organisational involvement, which is 2.80 > 1.96 and the negative value, which is why the organisational contribution impacts the turnover intention negatively and substantially. The importance on the intention of turnover of organisational culture is more than that of the importance of a table of -6.05 > 1.96 and the negative value so that organisational culture has a negative and important effect on intention of turnover.

DISCUSSION
Effect of Career on Organisational Culture
The hypothesis test results (H1) state that occupations have a substantial and positive impact on the culture of organisation. The value t is 5.81, greater than 1.96, so Ha
is approved, and Ho is discarded by measuring the value. This test demonstrates statistically that occupations have a positive and profound impact on corporate culture. This in line with the research done by Asbari (2019), that a profession has a positive and significant influence on a working community, Purwanto (2019), notes that a profession has a positive and significant impact on organisational culture and Santoso (2019) points to a positive and significant effect on the work culture. Pramono (2019) says that career plays a positive and significant role in the culture of work and Bernarto (2019) says career has a significant and positive influence on corporate culture.

**Effect of Organizational Commitment on Organizational Culture**

The effects of hypotheses (H2) indicate the optimistic and important influence on organisation’s culture on organisational engagement. Via calculation results the t-value is 3.42, greater than 1.96, so Ha is accepted, and Ho is refused. This study objectively shows that the organisational contribution impacts organisational culture positively and substantially. In keeping with Asbari ‘s 2020 study, organisation commitment affects the working culture in a positive and significant way. Purwanto (2020) points out that corporate commitment has a positive and significant impact on corporate culture, Santoso (2019), says that corporate commitment has a significant impact on the working culture. Wijayanti (2019) says that corporate engagement has a positive and important influence on work culture, work culture. Work culture. Pramono (2019) notes that corporate engagement has a positive and substantial impact on working culture and Bernharto (2019) that corporate engagement has an essential and positive effect on corporate culture.

**Effect of Career on Turnover Intention**

The findings of hypothesis testing (H3) suggest that occupations impact turnover intentions negatively and substantially. The t value is -3.60 above 1.96 with the results of calculations done, so Ha is approved, and Ho is denied. This test demonstrates statistically that career has a negative impact on the intention to make turnover. In line with studies conducted by Asbari (2019), which notes that a career has a negative and significant effect on the intention of turnover, Purwanto (2019) states that an advanced career has a negative and significant effect on the intention to make turnover. The Santoso (2019) reports that a career has a negative and significant impact on turnover intent. Pramono (2019) notes that a career has a substantial negative impact on the intention to make turnover and Bernarto (2018) says that it has an unfavourable and significant impact on the intent to make turnover.

**Effect of Organizational Commitment on Turnover Intention**

The hypothesis tests (H4) show that corporate engagement has a negative and substantial impact on the intention of turnover. The t-value is -2.80 greater than 1.96, then Ha is accepted, and H is rejected through the results of calculations made. This test statistically shows that corporate participation has a major and negative impact on intentional turnover. As a result of Asbari ‘s research (2019), the organisation’s commitment had a negative impact on turnover intention and Purwanto (2019) had a negative and significant impact on turnover intent and Santoso (2019) had a negative and significant effect on the intention of the organisation to commit to turnover. This was in line with Ashari ’s research. Wijayanti (2019) reported that the Organizational Commitment has a negative and important impact on the intention to turnover. Pramono (2019) points to a negative impact on turnover intentions on organisation commitments and to Bernarto (2019) to the negative and substantial effect on turnover intentions in terms of organisational engagement.

**The Influence of Organizational Culture on Turnover Intention**

The findings from hypothesis testing (H5) indicate that organisational culture has a substantial negative influence on the purpose of turnover. The value t is -6.05 by the calculation performed, which is -1.96, Ha is therefore accepted, and Ho is rejected. This test has statistically shown that corporate culture influences the intention to turnover dramatically and negatively. This is consistent with research carried out by Asbari (2019) in which organisation’s culture has negative and significant effects on the purpose to achieve sales, while Purwanto (2019) notes that organisational culture has a negative and significant influence on the intention to make sales. With respect to the intention of turnover, Wijayanti (2019) says that the culture of organisations has an effect on the intention to make turnover. Pramono (2019) says that the negative and significant influence of corporate culture on the turnover intention, and Bernarto (2019) says that corporate culture has a negative and significant impact on the intention to make roles.

**CONCLUSION**

On the basis of the findings of the study, which was performed in the previous chapter, we come forward to the following conclusions: (1) careers have a positive and substantial impact on organisational culture, which means that career plays an important role in improving organisational culture; Based on the results of research and the results of this study, a range of suggestions to be provided are: firstly, for the Company: a) compensation given to the workers for non-basic pay allowances is further increased to meet the requirements of the staff; b) capability for corporate planning is further enhanced to provide a perceptual basis or equivalent Secondly, it is easier for the next researcher to incorporate additional variables not part of this analysis. To enhance more research and to provide more knowledge.

**REFERENCES**

3. Agus Purwanto, Mohamad Fahlevi, Suhesti Maharani, Fauzi Muhamar, Suryanto, Wahyu Setyaningsih A. Faidig, Al Azhar, Rudy


