

# Organizational Culture, Job Satisfaction, Organizational Commitment, and Its Effect on Intention to Leave

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**Abstract.** This study has the main goal of being able to analyze and explain how the influence of organizational culture, job satisfaction, and organizational commitment on employee intentions to leave the company, considering that after the covid-19 pandemic, many companies, especially retail companies, have changed their organizational culture. This research is an explanatory research type that uses a positivist approach, with quantitative methods. The data in this study were collected through a list of questionnaires distributed to respondents, and the respondents in this study were employees of three retailer companies in the city of Tomohon, namely: Cool Supermarket, Multimart, and Grand Central, each of which has 100 employees. This study uses the Partial Least Square (PLS) analysis technique. From the analysis results obtained indicate that the organizational culture variable has no significant effect on organizational commitment, but appears to have a significant influence on employee intentions to leave the company, then the resulting analysis obtains an overview that the job satisfaction variable also has a significant influence on commitment. organization, but did not show a significant effect on the desire to leave employees, as well as the organizational commitment variable which did not show a significant effect on the intention to leave employees.

**Keywords:** Organizational Culture, Job Satisfaction, Organizational Commitment, Intention To leave

## 1 Introduction

Currently, the retail business in Indonesia is felt to be growing and the business competition is showing a fairly rapid and very high development. This will not be a significant obstacle for retail entrepreneurs to increase the number of outlets in various regions in Indonesia, especially after a number of new supermarkets from various retail companies that run certain programs as one of their competitive strategies with other retail businesses.

Tomohon City is one of the cities in North Sulawesi, Indonesia that was separated from Minahasa Regency in 2003. In its development, the city of Tomohon has progressed quite rapidly. It can be seen that one of the things that has developed is the number of retail businesses that are growing very rapidly. Several large supermarkets that support the economy and businesses in Tomohon City include Keren Supermarket, Multimart, and Grand Central. But in the midst of the COVID-19 pandemic, these retail businesses were forced to readjust to survive in the midst of the pandemic that hit Indonesia, especially the city of Tomohon. The form of adjustment from large retailers in the city of Tomohon includes reducing the number of operating

hours. This also has an impact on reducing the decline in businesses that work. Thus, this is very likely to happen because employees may even cause employees to intend to leave their current job to look for work or other businesses that are considered safer and more stable in uncertain conditions during the COVID-19 pandemic. This is as stated by Davis and Newstorm [1], who revealed that employees who feel more satisfied are less likely to think about quitting, looking for a new job, or having intentions to leave the company. This can also be interpreted on the contrary, that dissatisfied employees will, of course, think of leaving or leaving their current place of work.

Mathis and Jackson [2] say that employee turnover is a detrimental problem for many companies, but that actually not all employees who leave the company will be a problem. All companies, of course, have wanted their employees to resign, but if the right person leaves freelance, the resignation is positive for the company. For example, employees who have low performance will be replaced by new employees who may have better performance.

In addition, organizational culture can be considered as one of the factors that play an important role that can lead to the intention of employees to leave the company, this is as stated by Robins [3] which states that a stronger

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culture will help to form a high level of agreement about organizational culture, goals of an organization. High agreement about the goals of the organization will help in the formation of engagement, loyalty, and organizational commitment. This condition will play a role in reducing the tendency of employees to have a desire to leave the organization. This also supports the conditions that occur in several retail companies in the city of Tomohon. It can be seen that various adjustments made related to the COVID-19 pandemic condition will change the organizational culture in existing retail companies, such as: work from home for some employees who can do work from home; a necessity in the use of masks at work; reducing close communication with consumers and co-workers; and several other things that have been changed in the implementation of work.

Similar research has been carried out, such as research from Tumbelaka et al [4], which previously examined a foreign investment in Indonesia but did not look at it from a wider perspective to several other companies, or companies operating in different fields, and did not review the company's condition when it had to adapt to the COVID-19 pandemic situation. For this reason, this study seeks to take a broader view by taking several retail companies as research sites and also attempting to examine the condition of these companies when dealing with the COVID-19 pandemic.

### 1.1 Intention to Leave

An employee's intention to leave can be interpreted as an employee's desire to leave or where he works. Robbins (2006) says that leaving is a response that is then directed to leave or the organization. Meanwhile Tumbelaka et al [4] revealed that intention to leave can be interpreted as the tendency or intention of employees to leave the company where they work.

Based on the planned action proposed by Ajzen [5], it is stated that intention is the main key to the behavior that a person will perform, namely the greater a person's intention to perform the behavior, the more likely it is for the person to do so, but it will depend on non-personal factors, -motivational, such as existing resources and opportunities. In this theory, it can be said that employees who leave the company are a tangible manifestation of a behavior that occurs from the intention to leave, namely someone's intention to perform a behavior that can interfere with the effectiveness of the company, in this case based on the self-interest of the company where the employee works.

### 1.2 Intention to Leave Indicator

The Intention to Leave indicator that will be used in this study is drawn from previous research conducted by Falkenburg and Schyns [6], which states that an employee's intention to leave or quit his job can be measured by 3 indicators, namely:

1. Thinking about quitting.
2. Imagine working in another company.
3. Intention to apply in other companies.

### 1.3 Organizational culture

Organizational culture exists when the organization is seen as an adaptive organism, then on the other hand culture can be understood as an adaptive regulatory mechanism, and without objects in the existing social structure. Davis and Newstrom [1], argued that organizational culture is a set of beliefs, values, and norms that are shared among its members. Organizational culture can reflect the assumptions and values that guide the company, and has no form but will have a strong enough influence on employee behavior.

Furthermore, Luthans [7] also said that organizational culture is a pattern of basic assumptions made, discovered, or developed by certain groups when they adjust to external problems and internal integration that have gone well and are considered valuable, then taught back to new members as an effective way, to realize, think, and feel the connection with a particular problem.

### 1.4 Organizational culture indicators

Robbins and Judge [3], say that the main characteristics that will be able to capture the essence of organizational culture are:

1. risk taking and innovation
2. Attention to detail
3. result oriented
4. people oriented
5. Team oriented.
6. Aggressiveness
7. Stability

### 1.5 Job satisfaction

Job satisfaction based on the opinion of Mathis and Jackson [2] can be interpreted as a positive emotional state or condition which is the result of a person's assessment of the work experience obtained. While job dissatisfaction will arise when a person's expectations are not met or not in accordance with what is obtained. Mathis and Jackson also argue that an important factor that determines job satisfaction is what employees expect from work and what they get in return for the work done. Robbins [8] also defines that job satisfaction is the general attitude of each individual towards the work done. Then the next definition from Robbins and Judge [3] suggests that someone who has a high level of job satisfaction will also have a positive attitude towards his job, otherwise someone who is dissatisfied with his job will have a negative attitude towards the work he does.

### 1.6 Job satisfaction Indicator

According to Luthans [7], there are five important dimensions in work, where people will show a response or reaction to the level of job satisfaction they have, such as:

1. Work itself
2. Salary/Wages

3. Promotion opportunities
4. Supervision
5. Coworkers

### 1.7 Organizational Commitment

According to O'Reilly (1989), in Sopiah (2008), commitment to the organization as an individual relationship with the organization can include work involvement, loyalty, and feelings of organizational values. Furthermore is not only passive loyalty but also involves an active relationship with work organizations that have goals for the success of the organization concerned.

### 1.8 Organizational Commitment Indicator

Meyer and Allen [9] classify employee commitment to the organization into three components, namely:

1. Affective commitment (affective commitment).
2. Commitment to continuity (continuance commitment).
3. Normative commitment (normative commitment).

### 1.9 Hypothesis Development

The intention to leave an employee is an important issue that needs to be considered by the company the employee works for, because it can have a major impact on the company's premises. Intention to leave arises from within employees because of the factors that encourage it. As explained by Tumbelaka et al. [4], the factors that drive intention to leave include job satisfaction, organizational commitment, and organizational culture.

According to the study's findings, the emergence of exit or intention to leave employees is caused by a lack of job satisfaction, a lack of commitment from employees to carry out work, and a lack of understanding of employees who are employed in the company.

Based on the relevant theories and research described above, the following hypotheses can be made:

- H1 : Organizational culture has a significant effect on organizational commitment.  
 H2 : Organizational culture has a significant effect on the intention to leave.  
 H3 : Job satisfaction have a significant effect on organizational commitment.  
 H4 : Work objectives have a significant effect on the intention to leave.  
 H5: Organizational commitment has a significant effect on the intention to leave.

## 2 Research Method

This research is explanatory research with the research approach used is a positivist approach or a quantitative approach. Research that uses a quantitative approach in question is a way to test certain theories by examining

the relationship between variables. The variables are usually measured using research instruments, so that the data consists of numbers that can be analyzed based on statistical procedures (Creswell, 2010).

The population used in this study were all employees of 3 supermarkets in Tomohon City, totaling 100 people, and 80 people were taken from the total population as samples, the number of samples was taken using the Slovin formula with a tolerance level (e) of 0.05.

### 2.1 Instrument Validity and Reliability

Instrument testing was conducted to test whether the research instrument used was able to measure the research construct. The results of the instrument validity test in this study can be seen in the following table.

**Table 2.** Validity and Reliability Result

Construct	Item	AVE	Cronbach Alpha
Intention to Leave (IT)	7	.921	.985
Budaya Oranisasi (BO)	7	.948	.990
Kepuasan Kerja (KK)	8	.931	.989
Komitmen Organisasional (KO)	7	.928	.987

question items in the questionnaire were declared valid and reliable.

### 2.2 Technique of Analysis Data

To get the results of this study, the data analysis technique used is Partial Least Square (PLS). PLS analysis is a structural equation model (SEM) using a variance-based approach or a component-based structural equation model. According to Hair et al [10], the main purpose of PLS-SEM is to develop or build a theory (prediction orientation). PLS analysis is usually used to explain whether or not there is a relationship between latent variables (prediction). Analysis using PLS can be said to be a fairly strong analytical method because it does not assume current data with a certain measurement scale or small sample [11]. For this reason, in testing the hypotheses in this study, the PLS-SEM analysis technique was used with the help of Smart PLS 2.0 M3 software. and the hypothesis will be accepted if the t-stat value is above 1.960.

### 2.3 Data Collection

Researchers collected data through research instruments in the form of questionnaires which were distributed to respondents, and the respondents were employees who worked in 3 retail stores in Tomohon City.

## 3 Result and Discussion

### 3.1 The Influence of Organizational Culture on Organizational Commitment

The results of the study show that the organizational culture variable has no significant effect on organizational commitment. This is proven through the PLS-SEM test with the help of the Smart PLS 2.0 M3 software application, where the t-stat value is 0.934, which means it is 1.960 smaller. So, it is statistically proven that organizational culture has no significant effect on the organizational commitment of the three retail businesses in Tomohon City. This means that an organizational culture that is well-reached and implemented by employees does not increase the commitment of the company's employees to become stronger.

### 3.2 The Influence of Organizational Culture on Intention to Leave.

The results of the analysis show that the organizational culture variable has a significant effect on organizational commitment. This is proven through the PLS-SEM test with the help of the Smart PLS 2.0 M3 software application, where the t-stat value is 3.766, which means that it is greater than 1.960. Statistically, it is proven that organizational culture has a significant effect on the intention to leave the employees of the three retail businesses in Tomohon City. That is, the better the organizational culture in a company, the lower the intention to leave employees.

### 3.3 The Effect of Job Satisfaction on Organizational Commitment

The results of the analysis show that the job satisfaction variable has a significant effect on organizational commitment. This is proven through the PLS-SEM test with the help of the Smart PLS 2.0 M3 software application, where the t-stat value is 2.293, which means that it is greater than 1.960. Statistically, it has been proven that job satisfaction has an effect on employee organizational commitment. This means that good job satisfaction from each employee will have an impact on good employee organizational commitment.

### 3.4 The Effect of Job Satisfaction on Intention to Leave

The results of the study indicate that the variable job satisfaction has no significant effect on the intention to leave. This is proven through PLS-SEM with the help of the Smart PLS 2.0 M3 software application, where the t-stat value is 0.911, which means 1.960 smaller. Statistically, it has been proven that job satisfaction does not have a significant effect on the intention to leave an employee. That is, good employee job satisfaction is not entirely and directly able to make the intention to leave employees lower.

### 3.5 The Effect of Organizational Commitment on Intention to Leave

The results found from the analysis test showed that the organizational commitment variable could not significantly affect the intention to leave employees. This is proven through PLS-SEM analysis with the help of the Smart PLS 2.0 M3 software application, where the t-stat value is 0.468 less than 1.960. This shows statistical evidence that organizational commitment has no significant effect on employee turnover intentions from the three retail businesses in Tomohon City. That is, the higher the employee's organizational commitment, it does not always have to be followed by a decrease in the intention to leave the employee.

## 4 Conclusion

The results of this study which looked at the variables of organizational culture, job satisfaction, and organizational commitment, as well as how they affect the intention to leave employees (in retail business employees in Tomohon City), the following conclusions can be drawn:

1. It can be said that, although there are changes in organizational culture caused by the impact of the COVID-19 pandemic, they will not change the organizational commitment of employees. Employees who are highly committed to the company will remain committed even though they need to adapt to the changing organizational culture according to existing conditions.
2. The results obtained show that organizational culture has a significant effect on employee intentions to leave. It can be concluded that changes in organizational culture will also affect how employees are able to adapt to the organizational culture that exists in the company, employees who are able to adapt will feel reluctant to leave the company, or vice versa employees who feel that the existing organizational culture is not suitable for employees. will increase the intention of employees to leave the company.
3. Based on what was found in this study, it shows that job satisfaction has a significant effect on organizational commitment. It can be concluded that the increasing job satisfaction of employees will also encourage increased commitment or to be more committed to the company where they work. Conversely, employees who have low job satisfaction will have less commitment to the company.
4. The results obtained show that employee job satisfaction has no significant effect if tested on the intention to leave variable, meaning that employee job satisfaction cannot be used as a standard reference to see how the relationship between employee intentions to leave the company and the level of employee job satisfaction. Or it can also be explained that the level of job satisfaction from employees cannot directly explain the level of employee desire to leave the company. This can occur due to unstable company conditions during

the COVID-19 pandemic, so the decision to stay or stay in the company is still difficult to explain properly by employees.

5. The results obtained show that organizational commitment does not have a significant effect if tested on the variable of intention to leave employees. This shows that high or low organizational commitment from employees cannot be a sure measure of the desire of employees to leave the company. This could happen due to unstable conditions in the company. The company is closed because of the COVID-19 pandemic, which makes it impossible for employees to clearly make the decision to leave the company or not, even though their level of commitment can be explained well.

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