HOW TO REDUCE TURNOVER INTENTION OF YOUNG PROGRAMMERS WITH TRANSFORMATIONAL LEADERSHIP MEDIATED THROUGH ORGANIZATIONAL COMMITMENT

by
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ABSTRACT
This research aims to measure the effect of Transformational leadership style on turnover intention of the software industry in Indonesia mediated by Organizational commitment. Data collection was carried out by 124 the whole junior programmer population. The returned and valid questionnaire results were 124 data. Data processing was using SEM method with SmartPLS 3.2 software. The results of this research are Transformational leadership has a negative and significant effect on turnover intention. Organizational commitment has a negative and significant effect on turnover intention. Transformational Leadership has a negative and significant effect on turnover intention mediate by Organizational Commitment. This novel research is proposing a model to manage turnover intention among programmer of the software industry in Indonesia through Transformational leadership on Turnover intention with Organizational commitment as mediation. This research can pave the way to improve software industry leader to prepare the young programmer.

Keywords:
Transformational leadership
Programmer
Turnover Intention

1. INTRODUCTION
The rapid development of technology in Indonesia today has an impact on many things, ranging from increasing internet use, exploding social media popularity, to the development of e-commerce. This condition further accelerates the process of globalism which makes the environment volatile and the trend easy to change, which is caused by the easier information to move from various places from all over the world.

For industry players, this condition raises awareness for them to move more dynamically to respond to market developments. They then try to improve business processes within their company, for example by building a more effective workflow, digitizing data so that it is easy to process into information that can help strategic decision making or using internet-based information systems to build closer relationships with customers.

Quoted from information technology observer Joshua Partagi from the medium.com website. History records that the use of computers in Indonesia began around the 1970s and the branch of computer science or informatics engineering began to develop in Indonesia around the late 1970s. If it is true that the branch of computer science entered Indonesia in that year, it means that almost 40 years of the software development industry in Indonesia has not experienced much significant progress. This is because over the past decade, the turnover rate in the software development industry in Indonesia is still relatively high compared to other industries, delivery dates that are not according to planning and features that do not match customer demands.

Employees who have the intention to quit will lose focus and concentration which can be an indication of a decrease in the level of productivity which has an impact on low performance so that it can interfere with the achievement of goals. The results of the study (Balogun et al., 2013) which found that employees who have the intention of quitting are only physically present at work, but their minds are elsewhere, so that the organization in this case the bank does not get the best and this can be detrimental to the productivity and efficiency of the organization.
The turnover of information technology (IT) professionals is one of the problems that is a "major issue" and is often encountered among companies (Singh et al., 2012), including those that do not consider themselves to be technology companies (Mourant & Kalika, 2009). For its achievement as well as the success of strategic business objectives, maintaining specialized IT professionals within the company is critical. The Gartner Group estimates that "it costs up to 2.5 times the annual salary of IT professionals leaving the organization". Those costs include "advertising, recruitment costs, travel expenses, interviews, training time, and lost productivity with the new learning curve IT Professionals are being hired" (Luftman & Kempaiah, 2007).

Furthermore, the resignation of an individual IT employee can hinder or delay the implementation of the new system, since IT professionals carry "tacit knowledge", skills, and unique abilities with them when they leave the organization (Moore & Burke, 2002). From the perspective of human resource management, the loss of an employee causes expensive costs for the company in such matters as recruitment and training, and furthermore it becomes more difficult to maintain a workforce (Cho & Sung, 2011). Therefore, understanding the factors affecting the exit intentions of employees from the organization is very important for the continuity and success of the organization.

2. LITERATURE REVIEW

The Influence of Transformational Leadership on Turnover Intentions

Landman (Pieterse-Landman, 2012) found that transformational leadership styles have a negative and significant influence on employees' desire to leave the company. In addition, Markus Buckingham (Buckingham, 2005) makes a statement that when employees decide to leave the company; they leave their managers, not the company. This can lead to the assumption that leadership style can increase employee engagement with the company so that it has strong implications in suppressing employees' desire to quit. In accordance with the above frame of mind, it can be suspected that there is a direct positive influence of transformational leadership on exit intentions.

H1: Transformational Leadership has a significant and negative effect on turnover intention

The Effect of Organizational Commitment on Turnover Intentions

Employees are committed because they feel that the company / institution pays attention to their needs and welfare so that they feel the need to advance the company / institution through positive intentions and actions so that the company / institution can always grow rapidly. Edward Shih-Tse Wang (2012) in his study found that affective commitment is an important factor in preventing emotional fatigue and employee turnover intentions in a company while continued commitment has a positive effect on employee emotional fatigue. In accordance with the above frame of mind, it can be suspected that there is a direct positive influence of organizational commitment on turnover intentions.

H2: Organizational commitment has a significant and negative impact on turnover intention

The Influence of Transformational Leadership on Organizational Commitment

Lamidi (Lamidi & Williams, 2014) found that transformational leadership has a significant direct influence on organizational commitment and OCB. This transformational leadership style has an impact on the variables of commitment, satisfaction, OCB, and the role of people in one work environment. Since each of the variables has a direct relationship with the outcome of the intention to quit it can be concluded that transformational leadership also has an impact on the employee's intention to quit (Kahumuza & Schlechter, 2008). In accordance with the above frame of mind, it can be suspected that there is a positive direct influence of transformational leadership on organizational commitment.

H3: Transformational leadership has a significant and positive effect on organizational commitment

Organizational Commitment as mediator between Transformational Leadership and Turnover Intentions

Tuna et al. (Tuna et al., 2011) conducted research on the hospital industry in Turkey and concluded that transformational leadership increases commitment and lowers the intention to quit employees. Ismail et al. (Ismail et al., 2011) conducted a study of employees of a US subsidiary in East Malaysia, which showed that transformational leadership correlates positively and significantly with organizational commitment so that it will reduce employees' desire to leave the company. In accordance with the above frame of mind, it can be suspected that there is a positive direct influence of transformational leadership on turnover intentions through organizational commitment.

H4: Negative relationship between Transformational Leadership and Turnover Intention will be mediated by Organizational Commitment
3. RESEARCH METHOD

Research Design and Respondent

This study examines the theoretical model using a single data source obtained from Junior-level employees of a Software house Company. The study used a quantitative approach and survey method with a questionnaire designed using a rating scale for positive items, scores ranging from 1 (strongly disagree) to 5 (strongly agree), while for negative items, a score of 1 (strongly agree to) to 5 (strongly disagree). Quantitative methods emphasize objective measurements and the statistical, mathematical, or numerical analysis of data collected through polls, questionnaires, and surveys. The data collection technique was using the whole population of 124 junior level programmer using a questionnaire that was distributed directly through the google form application. The number of data collected was 124 responses, consisting of 100% men and 0% women, with tenure ranging from 0 year to 5 years.

<table>
<thead>
<tr>
<th>Variabel Identitas Responden</th>
<th>Kategori</th>
<th>Jumlah</th>
<th>Persentase (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jenis Kelamin</td>
<td>Laki-laki</td>
<td>124</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Perempuan</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>≤ 25</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>26 – 30</td>
<td>124</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>31 – 35</td>
<td>0</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>36 – 40</td>
<td>0</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>41 – 45</td>
<td>0</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>46 – 50</td>
<td>0</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>≥ 51</td>
<td>0</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Pendidikan Terakhir</td>
<td>SLTA</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>Diploma</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>Sarjana</td>
<td>124</td>
<td>124%</td>
</tr>
<tr>
<td></td>
<td>Master</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Masa kerja (Tahun)</td>
<td>≤ 5</td>
<td>124</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>6 – 10</td>
<td>0</td>
<td>0%</td>
</tr>
</tbody>
</table>
Measurement

Instruments used to measure transformational leadership style are measured from instruments adapted from (Bass and Avolio 1990). Organizational commitment adapted from (Allen & Meyer, 1990). Turnover intention was adapted from (Bothma Roodt 2013). Polls are designed to be closed except for questions/statements about the identity of respondents in the form of semi-open polls. Each closed question/statement item is given five answer options, namely: strongly agree (SS) score 5, agree (S) score 4, disagree (KS) score 3, disagree (TS) score 2, and strongly disagree (STS) score 1. The method for processing data is by PLS and using SmartPLS software version 3.2 as its tool.

4. RESULTS AND ANALYSIS

RESULT
a. Descriptive Statistics

<table>
<thead>
<tr>
<th></th>
<th>Cronbach's Alpha</th>
<th>rho_A</th>
<th>Composite Reliability</th>
<th>Average Variance Extracted (AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kepemimpinan (X2)</td>
<td>0,983</td>
<td>0,983</td>
<td>0,984</td>
<td>0,797</td>
</tr>
<tr>
<td>Komitmen (Z)</td>
<td>0,983</td>
<td>0,983</td>
<td>0,984</td>
<td>0,804</td>
</tr>
<tr>
<td>Turnover intention (Y)</td>
<td>0,975</td>
<td>0,975</td>
<td>0,977</td>
<td>0,783</td>
</tr>
</tbody>
</table>

The results of reliability tests using cronbach alpha, according to Ghozali (2011) an instrument is said to be reliable if it has a cronbach alpha value of > 0.7. The results of the analysis in the table with the result that each variable has a value of cronbach's alpha > 0.7 So it is concluded that all variables have a cronbach alpha value > 0.7 and reliably.

The results of the composite reliability test where each variable of composite reliability value is greater than 0.6 can be concluded that all variables meet the composite reliability requirements. The results of the Average Variance Extracted (AVE) test obtained that each variable has an AVE value of > 0.5, thus meeting the Average Variance Extracted.

b. Hypothesis Test

|                      | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (|O/STDEV|) | P Values |
|----------------------|---------------------|-----------------|-----------------------------|-----------------------|----------|
| Kepemimpinan (X2) --> Komitmen (Z) | 0,452               | -0,409          | 0,065                       | 6,233                 | 0,000    |
| Kepemimpinan (X2) --> turnover intention (Y) | -0,408              | 0,094           | 2,966                       | 0,004                 |
| Komitmen (Z) --> turnover intention (Y)     | -0,278              | -0,281          | 2,966                       | 0,004                 |

1. The influence of transformational leadership on organizational commitment the t-statistical value for the influence of transformational leadership on organizational commitment the original value of the sample 0.452 was positive and the calculated t was 5.732 > t-table (1.960) and the p-value was 0.000 < 0.05 and the original sample value is positive. Thus the Hypothesis in this study is accepted. That is, there is a positive and significant influence between transformational leadership and organizational commitment.

2. The effect of organizational commitment on turnover intention the t-statistical value for the effect of organizational commitment on turnover intention the original sample value of -0.278 is negative and the t-count sebesar 2,966 > t-table (1.960) dan p-value 0,004 < 0,05 is as much as and the original sample value
is negative. Thus the Hypothesis in this study is accepted. That is, there is a negative and significant influence between the organization's commitment to turnover intention.

3. The influence of transformational leadership on turnover intention the t-statistical value for the influence of transformational leadership on the turnover intention of the original sample value of -0.408 is negative and the t-count sebesar 6.233 > t-table (1.960) dan p-value 0.000 < 0.05 and original sample value are negative. Thus the Hypothesis in this study is accepted. That is, there is a negative and significant influence between transformational leadership on turnover intention.

<table>
<thead>
<tr>
<th>Tabel 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Sample (O)</td>
</tr>
<tr>
<td>---------------------------------</td>
</tr>
<tr>
<td>Kepemimpinan (X2) -&gt; Komitmen (Z) -&gt; turnover intention (Y)</td>
</tr>
</tbody>
</table>

4. The influence of transformational leadership on turnover intentions with the mediation of organizational commitments The t-statistical value for The influence of transformational leadership on turnover intention by mediation of the commitment of the original sample value of -0.126 is negative and the t-count 2.753 > t-table (1.960) and the p-value 0.007 < 0.05 and the original sample value is negative. Thus the Hypothesis in this study is accepted. That is, there is the influence of transformational leadership on turnover intention with the mediation of commitments significantly and negatively.

DISCUSSION

a. The Effect of Transformational Leadership on Turnover Intention

From the hypothetical results in Table 3 it can be noted that there is a significant negative influence of Transformational leadership on turnover intention. This is evidenced by the level of sig. 0.000 (P <0.05). The resulting coefficient is negative -0.408. This negative coefficient indicates if the better leadership then the turnover of employee intentions will be smaller. Likewise, the results of this study support the results of previous research conducted by Landman (Pieterse-Landman, 2012) proving that leadership has a significant negative influence on turnover intention. Looking at the importance of this role, the task of the leader in an organization is not easy. If a leader has done his or her function properly it will be able to reduce turnover intention.

b. The Effect of Organizational Commitment to Turnover Intention

Hypothetical test results prove that there is a negative and significant influence between the organization's commitment and turnover intention. This is evidenced by the level of sig. 0.154 (P>0.05). The resulting coefficient is negative -0.278. This negative coefficient shows that if the better the employee's commitment then the turnover intention is smaller. The results of research conducted Edward Shih-Tse Wang (2012) concluded that commitment to the organization negatively affects turnover intention.

Robbins and Judge (2013) commitment to organization means the desire of the organization's employees to remain employees of the organization. Organizations that are committed to their organization will tend to have high productivity. Organizational commitment can be seen from three dimensions according to Allen & Meyer (1996) namely affective commitment (the feeling of love to the organization), continuous commitment (the heavy feeling of leaving the organization) and normative commitment (feelings that require enduring in the organization). If an employee of the organization has a commitment to his organization both affective commitment, continuous commitment and normative commitment then it is less likely that the organization's employees will leave the organization.

CONCLUSION

Based on the results of the analysis and discussion of the data, the author obtained the following conclusions:

1. Transformational Leadership positively affects organizational commitment.
2. Organizational commitment negatively affects turnover intention.
3. Transformational Leadership negatively affects turnover intention.
4. Transformational leadership negatively affect turnover intentions through organizational commitment.

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