

ORGANIZATIONAL CONFLICT, IT'S EFFECT ON TURNOVER INTENTION IN FAMILY MANUFACTURE CORPORATE

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ABSTRACT: Employees are an essential factor in the course of an organization. Therefore, companies need to keep employees loyal to the company so that there is no turnover intention. The aims of this study is to analyze organizational conflict with turnover intention. In addition, this study also analyzes the effect of organizational commitment on turnover intention through work engagement. This research uses a quantitative approach. The sampling technique uses random sampling. The number of samples was 80 employees of family manufacturing corporate in Pasuruan, East Java. Data collection techniques using a questionnaire. Data analysis using path analysis. The results showed that organizational conflict had a positive effect on turnover intention. Meanwhile, organizational commitment has not to influence on turnover intention. Likewise, work engagement does not have a role as a mediating variable. The results of this study have managerial implications on efforts to manage organizational conflict so that high turnover intention does not occur.

KEYWORDS: organizational conflict, turnover intention, work engagement, organizational commitment

I. INTRODUCTION

The organization tries to keep its employees. Employees turnover harm the organization. Although the organization conducts various programs to maintain and retain employees, employee turnover still occurs. One of the factors that influence employee turnover is organizational conflict. Gultom shows that conflict has a significant positive effect on turnover intention (1). Organizational conflicts that increase will improve employee turnover intention. Human resources, namely employees in the company are the essential assets that become the driving force and determining the course of the organization, without the role of company employees can not run following the objectives of the company. Therefore, the human resources department has to regulate, manage and manage the employees themselves, so that they can continue to carry out work according to the existing rules and keep employees loyal to the company, thereby minimizing employees to turn over to other companies. Turnover intention is the desire of an employee to move from one organization to another (2).

High turnover intention is one of the causes is the low organizational commitment held by employees. Organizational commitment is a consistency of a form of attachment to a person, career spirit, finance, environment and others. Commitment can be an incentive for someone to work better (3). Research conducted by Siwi et al. shows the results that organizational commitment influences turnover intention in the Pancaran Kasih Hospital GMIM Manado (4). Organizational commitment as partisanship and loyalty of employees towards the organization and organizational goals. Organizational commitment as an attitude that reflects the likes or dislikes of employees towards the organization. Furthermore, according to Streers, organizational commitment can be seen from 3 factors: 1) strong trust and acceptance of the goals and values of the organization, 2) willingness to work towards the achievement of organizational interests, and 3) a strong desire to maintain organizational membership (5).

The level of turnover intention can be caused by conflicts, which occur between personal conflicts, conflicts with fellow employees and conflicts between employees and leaders. In a previous study conducted by Gultom, in which the results of data analysis showed that conflict has a significant influence on employee turnover at Choco Bakery, this means that increasing conflict will increase employee turnover intention (1). Conversely, the decreasing conflict will reduce turnover intention.

In an organization, company, or other institution, each person and group develops different skills and views about work with their respective duties. When interactions between them experience different interests, perceptions, and other things, conflicts will occur. If the conflict is not resolved soon, it will become a potential conflict between them in an organization (6). According to Mangkunegara, Conflict is a conflict that occurs between what is expected by someone against himself, others, organizations with the reality of what he hoped (7). Turnover intention is a withdrawal employee itself and is undoubtedly strongly influenced by different human personalities such as nature, values, desires and interests. With these personality differences tend to cause work conflicts in an organization that can not be avoided, this will undoubtedly hinder the process of carrying out the work itself and will undoubtedly make employees feel like quitting and moving to other companies (8). Therefore, it is essential for the company to pay attention to a good relationship with employees so that the employee will give the best to the organization.

A good relationship that exists between the two can create employee engagement with the company, which means work engagement or "employee engagement" and is often referred to as employee engagement. Work engagement in work is conceptualized as a member of an organization that carries out its work role, works and expresses itself physically, cognitively and emotionally while working. Kahn distinguishes three dimensions in measuring work engagement, namely, 1) attachment is emotional satisfaction rate of individuals and the inspiration they get from work and become part of the company. There is an "I will" aspect in this emotional dimension, shown by cooperative behaviour and empathy for colleagues and superiors. 2) Cognitive attachment is an awareness of the mission and their role in the organization. There is a "the way" aspect of the worker carrying out their duties in this dimension. Furthermore, 3) physical or personal attachment shows the diversity or level of attachment (9).

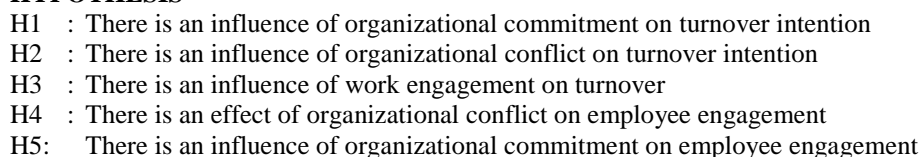
The research was conducted in a family manufacturing company engaged in the plastics industry located in Purwosari District, Pasuruan Regency. The company was founded on September 23, 1988, and produced an inner sack, tarpaulin, calcium carbonate, recycled plastic ore, slap rope, and yarn. The external environment of the surrounding community gives demands so that residents are given many opportunities or opportunities to receive at the company. So as to avoid conflict, when requests from residents around the factory are not met, the personnel manager creates a recruitment system with contract employee status. The system is carried out by contract employees who have been accepted for a period of 5 to 6 months, or if possible for up to 1 year. The system applied has an impact on the frequent employee turnover that occurs. Furthermore, have obstacles that do not meet the competent employees according to company needs.

On the other hand, salaries are following regional minimum wages. The company provide welfare for employees, as well as other benefits provided by companies. Based on the background of the problems outlined above, the authors are interested in conducting research looking at organizational commitment and conflict with turnover intention mediated by work engagement.

II. CONCEPTUAL FRAMEWORK

An employee has the right to achieve all his dreams based on his personality orientation. A good organization is one that can help employees to self-actualize or reach their dreams. Organizations that are unable to do this will run the risk of losing their best employees. Therefore the need for employee commitment to the organization is done so that employees can maximize their efforts at work so that the feeling of wanting to leave the company can be avoided the higher the organizational commitment, the desire to leave or move will decrease (10). In every organization, there are elements of conflict. Whether it is employee conflict with employees or employees with managers, conflicts that occur within the company can affect the desire to move employees when they work.

Work engagement has a mediating role between job characteristics, support from the organization and the consequences of work engagement such as organizational commitment, job satisfaction, turnover intention, and organizational behaviour (11). Work engagement is an individual condition related to work, where workers feel affectively motivated; the characteristic of work engagement is the existence of enthusiasm, dedication, and absorption (12). With the nature of the focus on work will have an impact on their lives so that conflicts that occur in employees resulting in a desire to move or exit from an organization, as in the research of Listau et al., shows the results that it seems that work engagement creates conflict between roles with strong feelings and dedication to work has a negative relationship with workplace conflict (13). Employees who have lower levels of work engagement have higher turnover intention to leave work within 12 months, with employees who have higher work engagement tend to have lower turnover (14).



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Respondent characteristics are classified by age group, gender, education level and income level. The majority of respondents have 39-48 years old as many as 57 people or 71.2%. Furthermore, respondents aged 28-38 are 12 people or 15%. Respondents have 49-58 years old as many as ten people or 12.5%. Meanwhile, respondents aged 59-65 were one person or 1.2%. Based on the gender group, the majority of respondents are 61 people or 76.2%. Meanwhile, female respondents numbered 19 people or 23.8%. The majority of respondents have a high school/Aliyah education of 75 people or 93.8%. Meanwhile, respondents who have undergraduate educational level strata of as much as five people (6, 2%).

Table 2. Reliability test results

Variable	Cronbach's alpha	Information
Organizational conflict	0.698	Reliable
Organizational Commitment	0.742	Reliable
Work engagement	0.611	Reliable
Turnover intention	0.654	Reliable

The reliability test results showed that the Cronbach's alpha value of organizational commitment variable was 0.742. Meanwhile, the Cronbach's alpha value of the organizational conflict variable is 0.698. The Cronbach's alpha value of work engagement variable is 0.611. Meanwhile, the value of Cronbach's alpha variable turnover intention is 0.654. The Cronbach's alpha value of the four research variables is greater than 0.60. Therefore, all four variables are reliable or reliable. The reliability test results are shown in Table 2. The validity test results show all the valid variables. The results of the validity test of 12 items are valid organizational commitment variables, with a significance value of $0.000 < 0.05$. Likewise, 15 items of conflict variables have a significance value of $0.000 < 0.05$ then declared valid. Meanwhile, ten items from the variable work engagement are declared valid because they have a significance value of $0.000 < 0.05$, however, two items are declared invalid because the significance value is more than 0.05, i.e. 0.113, and 0.179. Therefore, both items are declared void. The turnover intention variable consisting of 9 items all have a value of $0.000 < 0.05$, then the instrument is declared valid. Meanwhile, the results of the validity test can be shown in Appendix 1.

Table 3 Path Analysis

	Coefficient	T-statistic	P-value	F-value	Hypothesis
Organizational commitment to turnover intention	-0.103	-0.946	0.347	4,107 (0.009)	Rejected
Organizational conflict to turnover intention	0.043	3.103	0.003		Accepted
Work engagement to turnover intention	-0.149	-1.381	0.171		Rejected
Organizational commitment to work engagement	0.153	1.337	0.185	0.905 (0.409)	Rejected
Organizational conflict to work engagement	0.043	-0.379	0.706		Rejected

Table 3 shows the path analysis of each variable. Organizational conflict has a positive effect on turnover intention (coefficient: 0.043; $p < 0.05$). This shows that increased organizational conflict can increase turnover intention. Employee turnover is higher if an organizational conflict occurs. The results of this study have similarities with the research of Supianto (8). Conflict is a conflict that occurs between what is expected by someone against himself, others, organizations with the reality of what he hoped. Conflict cannot be avoided by someone when they have social interaction with their environment. This manufacturing company has good conflict management. When there is a conflict, the company mediates between the conflicting parties to seek agreement and a solution. The management involves the union to resolve problems of the parties to the conflict, and can also use a work agreement.

The results showed organizational commitment had no effect on turnover intention (coefficient: -0.103; $p > 0.05$). Organizational commitment is the loyalty of members and the willingness of members of the organization. The commitment of employees will decrease turnover intention. However, the coefficient is negative, the results of the study, but not significant. In this study, organizational commitment has not been proven to influence turnover intention. The results of this study are different from the study conducted by Siwi

et al., which shows that organizational commitment has a negative effect on the turnover intention at the Pancaran Kasih Hospital in Manado GMIM (4).

Ahmed & Nawaz also showed that organizational commitment has a negative influence on the turnover intention of International Airlines (PIA) employees in Pakistan (17). This study is in line with research Apriliyana, which shows that organizational commitment does not affect employee commitment and loyalty (18). The recruitment system that does not meet the criteria indicates that employees will cause low commitment. In addition, the contract system has employee turnover in a period of five to 6 months. This manufacturing company conducts training, certification of expertise, conducts trials and evaluations of results to increase employee organizational commitment. The results of field observation, the employees at the admin and mechanics have a high commitment to the company.

Work engagement has no effect on turnover intention (coefficient: -0.149 ; $p > 0.05$). Work engagement is the attitude and behaviour of employees in working by expressing themselves totally, both physically, cognitive, affective, and emotional. Employees who work in total tend to be loyal to the organization. Therefore, employees who have work engagement tend to have no desire to leave the job. The employees feel very involved in a job and experience a sense of meaningfulness, enthusiasm, pride, inspiration and challenges. The results show that the employee has a dedication to his work.

Organizational commitment has no effect on work engagement (coefficient: 0.153 ; $p > 0.05$). Increased organizational commitment does not affect the increase in work engagement. Employees who have low commitment nor engagement work his not lowered. This company is a family company with the majority of employees being contract employees. These contract employees often change. The result can trigger a low level of work engagement.

Organizational conflict has no influence on work engagement (coefficient: 0.043 ; $p > 0.05$). Increased organizational conflict cannot increase work engagement. Contract system factors can be arguments that employees still have work engagement, even though there is conflict within the organization. The employees continue to carry out their work roles, work and express themselves physically, cognitively and emotionally while working. The majority of respondents are men (76.2%); they have roles and responsibilities towards the family. They still have a high work engagement despite organizational conflicts.

Overall, the study showed that organizational commitment, organizational conflict and work engagement have influenced on turnover intention simultaneously ($V_{\text{alue}} : 4,107$; $p < 0,05$). These results make managerial contributions to reduce turnover intention; it is necessary to pay attention to the three variables. However, only one variable, the namely organizational conflict has a significant influence on turnover intention partially. Meanwhile, the variable organizational conflict and organizational commitment do not affect simultaneously on work engagement ($V_{\text{alue-}} : 0.905$; $p > 0,05$). The contract labour system is an important factor to consider. Furthermore, this is a suggestion for future research.

V. CONCLUSION

The organizational conflict has significant influence with turnover intention in manufacturing companies. The conflict will cause an uncomfortable atmosphere at work, things like that that can make employee have a desire to leave the company. Although the family manufacturing company has never been a significant conflict, the company already has a method to resolve the conflict. The union of workers is also involved in mediation with the conflicting parties. Organizational commitment does not influence turnover intention. The employee who has low commitment nor engagement work is not lowered. This company is a family company with the majority of employees being contract employees. These contract employees often change. This can trigger a low level of work engagement. Work engagement does not influence turnover intention. Employees who work in total tend to be loyal to the organization. Therefore, employees who have work engagement tend to have no desire to leave the job. Organizational commitment and organizational conflict do not influence work engagement. However, overall organizational commitment variables, conflict and work engagement have an influence on turnover intention simultaneously. These results make managerial contributions to reduce turnover intention. It is necessary to pay attention to the three variables. However, only one variable, the namely organizational conflict has a significant influence on turnover intention partially. Meanwhile, organizational conflict and organizational commitment variables do not influence simultaneously on work engagement. The contract labour system is an essential factor to consider. Furthermore, this is a suggestion for future research.

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[20]. Appendix 1

[21]. Validity test of organizational conflict variable

Item	Pearson Correlation	Sig	Keterangan
1	0,427	0,000	Valid
2	0,593	0,000	Valid
3	0,364	0,001	Valid
4	0,665	0,000	Valid
5	0,486	0,000	Valid
6	0,422	0,031	Valid
7	0,409	0,000	Valid
8	0,402	0,000	Valid
9	0,374	0,001	Valid
10	0,358	0,001	Valid
11	0,517	0,000	Valid
12	0,454	0,000	Valid
13	0,324	0,003	Valid
14	0,381	0,000	Valid
15	0,382	0,000	Valid

Validity test of organizational commitment variable

Item	Pearson Correlation	Sig.	keterangan
1	0,595	0,000	Valid
2	0,351	0,001	Valid
3	0,402	0,000	Valid
4	0,523	0,000	Valid
5	0,485	0,000	Valid
6	0,242	0,031	Valid
7	0,444	0,000	Valid
8	0,472	0,000	Valid
9	0,650	0,000	Valid
10	0,643	0,000	Valid
11	0,582	0,000	Valid
12	0,735	0,000	Valid

Validity test of work engagement variable

Item	Pearson Correlation	Sig.	keterangan
1	0,113	0,319	Tidak Valid
2	0,590	0,000	Valid
3	0,523	0,000	Valid
4	0,400	0,000	Valid
5	0,625	0,000	Valid
6	0,507	0,000	Valid
7	0,622	0,000	Valid
8	0,179	0,115	Tidak Valid
9	0,318	0,004	Valid
10	0,473	0,000	Valid
11	0,462	0,000	Valid
12	0,270	0,015	Valid

Validity test of turnover intention variable

Item	Pearson Correlation	Sig.	keterangan
1	0,601	0,000	Valid
2	0,608	0,000	Valid
3	0,610	0,000	Valid
4	0,435	0,000	Valid
5	0,542	0,000	Valid
6	0,579	0,000	Valid
7	0,394	0,000	Valid
8	0,491	0,000	Valid
9	0,453	0,004	Valid