D. M. Gerung., J. E. Tulung., M. Pandowo

# ANALYZING EMPLOYEES' TURNOVER INTENTION DURING PANDEMIC COVID-19 AT ARTOTEL YOGYAKARTA

## ANALISIS INTENSI BERPINDAH KARYAWAN SELAMA PANDEMI COVID-19 DI ARTOTEL YOGYAKARTA

By: Devaldo Maria Gerung<sup>1</sup> Joy Elly Tulung<sup>2</sup> Merinda Pandowo<sup>3</sup>

<sup>123</sup>International Business Administration, Management Department Faculty of Economics and Business Sam Ratulangi University, Manado

E-mail:

<sup>1</sup>gerungdeva@gmail.com <sup>2</sup>joy.tulung@unsrat.ac.id <sup>3</sup>merindapandowo@unsrat.ac.id

Abstract: This study aims to analyze the employees' turnover intention during pandemic COVID-19 at Artotel Yogyakarta in order to prevent the turnover rates arise. In 2021, Artotel Yogyakarta is facing a significant employee turnover up to 20%. The qualitative approach has used in this research in order to observe and understand how is the intention of employees regarding the turnover itself. The sample in this research are 16 employees who currently work in Artotel Yogyakarta for a minimum one year length time of work. The result of this study find that career opportunity has been one issue that the company should pay attention more especially during this pandemic. The compensation and co-worker trust still acceptable and not affecting the employees to have turnover intention, but still the factors that employee concern about in this pandemic situation, However, the study found that beside compensation, career opportunity, and co-worker trust there are factor that should be considered during this pandemic that could lead to turnover intention, which are job performance and personal factor.

Keywords: Turnover intention, compensation, career opportunity, co-worker trust

Abstrak: Penelitian ini bertujuan untuk menganalisis intensi berpindah karyawan selama masa pandemi COVID-19 di Artotel Yogyakarta untuk mencegah terjadinya turnover rate. Pada tahun 2021, Artotel Yogyakarta menghadapi pergantian karyawan yang signifikan hingga 20%. Pendekatan kualitatif digunakan dalam penelitian ini untuk mengamati dan memahami bagaimana niat karyawan terhadap turnover itu sendiri. Sampel dalam penelitian ini adalah 16 orang karyawan yang saat ini bekerja di Artotel Yogyakarta dengan lama kerja minimal satu tahun. Hasil penelitian ini menemukan bahwa peluang karir menjadi salah satu isu yang harus lebih diperhatikan oleh perusahaan terutama di masa pandemi ini. Kompensasi dan kepercayaan rekan kerja masih dapat diterima dan tidak mempengaruhi karyawan untuk memiliki keinginan berpindah, tetapi masih menjadi faktor yang menjadi perhatian karyawan dalam situasi pandemi ini. Namun, penelitian ini menemukan bahwa selain kompensasi, peluang karir, dan kepercayaan rekan kerja ada faktor yang harus diperhatikan pada masa pandemi ini yang dapat menyebabkan turnover intention adalah job performance dan personal factor.

Kata Kunci: Intensi keluar, kompensasi, peluang karir, kepercayaan rekan kerja

## **INTRODUCTION**

## **Research Background**

Pandemic COVID-19 has changed the whole word in all sectors. It is leaving long lasting effects especially on global economy and individual. The World Travel & Tourism Council still warned that 50 million jobs may be at risk in the global hospitality industry in this pandemic COVID-19. Retrieved from wttc.org travel and tourism sector GDP has dropped worldwide because of the outbreak but in other hand, COVID-19 could

## D. M. Gerung., J. E. Tulung., M. Pandowo

lead a raise in regional place because of the traveller inclination toward nearby places which considered have a lower risk of transmission compared with traveling out of region. However, this could be reign for short-term.

High turnover rate is already considered an important issue in the hotel industry (Kim, Lee, and Carlson, 2010). This phenomenon may be an inherent aspect of hospitality culture (Kim et al., 2010). Employees turnover need to be prevent, this issue warrants increased attention by the hotel industry in order to ensure high quality personnel, if the hotel industry wants to be highly competitive, it must rely on the effective management of employees and reduce turnover rates (Yang et al, 2012). De Connick (2009) stated that every organization should know and understand the reason turnover occur. Along with this current situation, the employees would be thinking about their compensation, career opportunities, relation with other co-worker and organizational components because they want to see if those components still in accordant for they to make a living, and those could lead to turnover intention (Su, 2014).

Turnover Intention triggered by the thought from the employee about find a better work alternative (Faslah, 2010). This thought cannot be measured directly, therefore the company should do an analysis towards the turnover intention. Intention is one of the attitude components that drive people behave (Moorhead and Griffin, 2013). Employee tend to have turnover intention because of dissatisfaction with their current job (Ardana et al., 2012) because employees are looking for a job that can ensure their future. Past studies related with employees' turnover intention have shown that compensation which the wage rate and co-worker trust are one of the important factors which induce turnover intention in hotel industry (Su, 2014). Dramatic sales losses have been experienced in hotel industry as occupancy rates have extreme dropped due to social distancing, restriction for traveling and the drastic decline of customer (Sobieralski, 2020). The hospitality industry is more negatively affected by employee turnover because the employees are the main 'tools' to run the business (Faldetta et al., 2013). Especially hotel industry has a higher turnover rate than other industries (Choi, 2006), and this could impact upon organizational effectiveness and productivity.

Artotel Yogyakarta is one of the properties belonging to the Artotel Group which running in the hospitality sector However, in 2021 Artotel Yogyakarta has a significant employee turnover up to 20% this year, which in line with Johannes, Edward, and Rofi'I (2014) that stated it is recommended that related to turnover, it is not more than 10% per year because this indicates a danger to the continuity of HR in the organization. This also support the reason why this study aims to analysis about the employees' turnover intention during pandemic COVID-19 with compensation, co-worker trust and career opportunities as the variable indicator. To prevent the turnover intention the company should know the current employee situation with their current work especially during pandemic COVID-19.

#### **Research Objective**

The objective that need to be accomplished by this research is to analyze employees' turnover intention during pandemic COVID-19 at Artotel Yogyakarta.

## THEORITICAL FRAMEWORK

#### **Human Resources Management**

According to McEvoy and Cascio (1985), human resources management has been one of the most considerable internal elements in obtaining company goals. Every business sustain and increase competitive advantage through strategic management of human resources (Mensah, 2014) which is dependent on the quality and efficiency of its employees. The key role that human resource management (HRM) plays in determining the survival, effectiveness, and competitiveness of business is as critical as gaining profit (Chong, Ngolob, and Palaoang 2020)

#### **Turnover Intention**

Mobley (2001) defines turnover intention as the tendency or intention of employees to stop working from their jobs voluntarily or move from one workplace to another. Turnover intention refers to employees' awareness or thoughts about leaving the job (Akgunduz and Eryilmaz, 2018). According to Moorhead and Griffin (2013), intention is one of the attitude components that drives people behave. However, this intention not constantly in a form of real action and it is just an intention or desire. Turnover Intention triggered by the thought from the employee about find a better work alternative (Faslah, 2010).

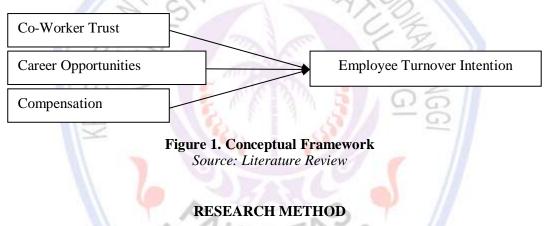
#### **Previous Research**

Su (2014) investigated the turnover intention of hotel employee in Taiwan. In order to identify and analyze the causes of this human resource issue, the Grey Relational Analysis (GRA) method was conducted to calculate the priorities of the explanations. According to the research results, Wage rate, Fringe benefits, Mentoring process, and Co-worker trust are the most important factors which induce turnover intention. Human resource managers can justify accordingly which turnover determinants are the prior ones should be moved out in the very short run.

Foo et al. (2020) examined the impact of the COVID-19 outbreak on the tourism industry in Malaysia. This research denoted that the tourism industry really impacted as tourist from around the world are cancelling travel to Malaysia and also because the travel restrictions and bans. It is showed on the data this research provides there are declining number of tourists which customer for hotel and airlines that caused many cancellations and losses. However, the economic stimulus package is expected to assist the tourism industry to sustain throughout this challenging period.

Mujiati and Dewi (2016), explored the factors that determine the turnover intention of employees in organization. From the search results obtained, the factors that determine turnover intention is organizational factors and individual factors; according to Mobley (1986) factors that determine turnover intention of employees divided into two: organizational factors and individual factors. According to Mathis and John H. Jackson (2009) there are several components that determine turnover intention and whether the employee survive or leave an organization include: organizational components, employee relations, career opportunities, rewards, and design tasks and jobs.

## **Conceptual Framework**



#### **Research Approach**

This research use qualitative research methodology to analyses employees' turnover intention during pandemic covid-19 in Artotel Yogyakarta. According to Denzin and Lincoln (1994), qualitative research involves the studied use and collection of a variety of empirical materials – case study, personal experience, introspective, life story, interview, observational, historical, interactional, and visual texts – that describe routine and problematic moments and meanings in individual's lives. Accordingly, qualitative research use a wide range of unrelated methods, hoping to always get a better settled on the subject matter at hand..

#### Population, Sample, and Sampling Technique

There are 16 informants as sample in this research, those informants are from different department and level managerial position and have already work for one year in Artotel Yogyakarta. This research sampling technique was used to take sample is purposive sampling. According to Arikunto (2010), purposive sampling is the process of selecting sample by taking subject that is not based on the level or area, but it is taken based on the specific purpose.

#### **Data Collection Method**

The researcher is using Triangulation Technique. Triangulation Technique means that researcher use different data collection techniques to obtain data from the same source (Sugiyono, 2015). Which are observation participatory, in-depth interview, and documentation.

#### Data analysis Method

Data analysis in qualitative research can include statistical procedures, many times analysis becomes an ongoing iterative process where data is continuously collected and analyzed almost simultaneously. Indeed, researchers generally analyze for patterns in observations through the entire data collection phase (Savenye and Robinson, 2004). Miles and Huberman (1994) to describe the major phases of data analysis: data reduction, data display, and conclusion drawing and verification.

#### **Operational Definition of Research Variable Table 1. Definition of Operational Variables**

Variable	Definition	Indicator
Employees' Turnover Intention	Intention is one of the attitude components	Compensation
	that drives people behave. Employees'	Co-Worker Trust
	turnover intention is the thought or awareness of the employee to move or to	Career Opportunities
	find a better job alternative.	
Source: Literature Review		

# **RESULT AND DISCUSSION**

Result Table 2. Coding	Categorizing	0.
Indicators	Description	Informants
Compensation	Enough during pandemic covid-19	12, 13, 14, 15, 17, 19, 110, 112, 113, 115, 116
	There is a significant difference before and after pandemic covid-19 start There is no other compensation beside salary	11, 12, 13, 14, 15, 16, 17, 19, 111, 112, 114, 115, 116 11, 12, 13, 14, 15, 16, 17, 18, 19, 110,
	Affects the informant to think about quitting Affects the informant to have intention for quitting	111, 112, 113, 114, 115, 116 11, 14, 113 11, 12, 14, 113
	Affects the informant to have intention for finding another job	11, 12, 14
Career Opportunity	There is no chance of career opportunity during pandemic covid-19	I1, I2, I3, I4, I5, I7, I8, I9, I10, I11
	Other place have a higher chance of career opportunity Affects the informant to think about quitting Affects the informant to have intention for quitting Affects the informant to have intention for finding	11, 12, 14, 15, 17, 113 11, 14, 17, 18, 19, 110, 111, 113 11, 14, 17, 18, 19, 110, 111, 113 11, 12, 13, 14, 17, 18, 19, 110, 111,
Co-Worker Trust	another job Relationship between co-worker are good, supporting each other, have trust Work environment between co-worker have a positive impact to employees' job. Affects the informant to think about quitting, if there is no trust	113   11, 12, 13, 14, 15, 16, 18, 19, 110,   111, 112, 113, 114, 115   11, 12, 13, 14, 15, 16, 18, 19, 110,   111, 112, 113, 114, 115   11, 12, 14, 15, 16, 17, 18, 110, 111,   112, 113, 114, 115
	Affects the informant to have intention for quitting, if there is no trust Affects the informant to have intention for finding another job, if there is no trust	I1, I2, I3, I4, I5, I6, I7, I9, I10, I12, I13, I14, I15, I16 I1, I2, I3, I4, I5, I6, I7, I8, I9, I10, I11, I12, I13, I14, I15, I16

#### Discussion Compensation

Most of the informants said that the compensation in Artotel Yogyakarta during pandemic covid-19 is enough. When talk about the differences between before and after the pandemic start, most of the informants said there is a significant difference, with the same reason which is the revenue of the hotel was dropped. Apparently, the hotel was closed at the beginning of the outbreak pandemic covid-19 for several months, based on the instruction from the government. There is no bonus in Artotel Yogyakarta during pandemic covid-19, but there is a new policy which is unpaid leave that obligate every employee to take 4-7 days off and take a pay cut. However, according to most of the informants the policy was necessary in order for the hotel to survive. With 16 of total informants' only 3-4 informants that thinking to quit or even have intention to find another job. There are respondents think could get a higher compensation in another place, also mentioned that the company should already arise the salary considering the situation starting to be normal and the occupancy also arise, and also that even the compensation is still acceptable but does not compare with the job task that have been given. Therefore, compensation in Artotel Yogyakarta during pandemic still acceptable to most of the employees and does not have a big impact for employees to thinking or have an intention for looking another job, but it is one of main indicator the employee concern about.

## **Career Opportunity**

Most of the employees said there is no chance for career opportunity in Artotel Yogyakarta. One respondent mentioned that related with career opportunity, it would depend on the structure of the hotel itself. Most of the employees also explain that it is hard because the hotel is focusing for minimizing the budget, considering the revenue that does not yet back to normal and to promote an employee need more budget. However, one responded also mentioned that she got a promotion during this pandemic. Even most of the informant said that Artotel Yogyakarta does not have a big chance for career opportunity, there are 6 respondents that think other places has a higher chance. Some explain that when work in a hotel, if we already overcome all our task in our current position, then we need to consider find another property in order to develop our self, unless there is chance for a promotion than stay in current job is the best choice. Also, according to some respondent there are some department and position that could got a higher chance in another place. The rest of informants does not think other places have a higher career opportunity. Because according to them, this situation does not impact one company or one place, but it is a worldwide issue, all business especially in hospitality industry in this case hotel, according to them many hotels are also experiencing a decline in revenue, so in this situation it is still not sure if other place have a higher chance of career opportunity. Therefore, if there is no career opportunity in the company, most of the informants agree that they would have a turnover intention, because according to them, it is important to develop their career, not stuck in one place, moreover if the place does not have a chance for career opportunity.

## **Co-Worker Trust**

Only 1 out of 16 respondents that mentioned the environment of work does not good. One of the reasons is the situation around makes the work was under pressure. The rest of informants said that there are no differences before and after the pandemic covid-19 start. The relation between co-workers is good and supportive to each other. They explained that work environment really affecting their job performance, moreover because they often work as a team so it is necessary to have trust between each other. More than half of the informants said that if there is no trust between co-workers they would consider to guit or have intention to looking for another job. More than half of the informants said that if there is no trust between co-workers they would consider to quit or have intention to looking for another job. Some explained that according to them when a problem happened in the company they believe all employee can overcome it and find the way out, it is based on what they experienced. However, the current condition of co-worker trust in the company is fine based on the result and it is one of the indicator the employees concern about. Beside the point of view from compensation, career opportunity and co-worker trust, the informants also mentioned that every department have different situation. Example, department A could have a higher career opportunity rather than other department. Also, from the explanation of the informants, the corporate was trying to cut the expense from any side for some department and impact the job performance itself and lead the employees to have an intention or thinking to look for another job. Therefore, we can see that job performance of the employees also affecting the turnover intention during this pandemic covid-19. Beside job performance, there is also personal factors that affecting turnover intention, such as the total of work for each employee.

## Conclusion

Based on the result analysis and the discussion on the previous chapter. The result of the research could be shown as follows:

- 1. The most indicators that Artotel Yogyakarta should pay attention about is the career opportunity of the employees. Because more than half of informants stated that there is no career opportunity in Artotel Yogyakarta, some of them only stay because to move or quit during pandemic is risky. Even though it is risky, there are some employees that already have the intention to find another place. However, they explained that it is only if there is a good opportunity in other place, then they would possibly have the intention.
- 2. For the compensation and the co-worker trust, these 2 indicators not affecting the employees to have turnover intention during this pandemic, but those indicators still a main concern for the employees.
- 3. It is in line with The Expectancy Control Theory that most of informants have expectation to the company in this case for compensation, career opportunities, and co-worker trust. Therefore, if the expectation does not met, then the employees sure have an intention to leave, based on the result

## Recommendation

- 1. For the Artotel Yogyakarta and other related business field. Turnover intention may arise if the corporate does not do something with the career opportunity, considering the situation is getting normal then other hotel could also have a higher chance of career opportunity. Especially in hotel industry, each employee has their own target of position or lengths of work since they joined. However, the corporate should keep maintain or even keep up the situation to prevent the turnover intention, because if the employee does not feel the compensation is worthy, then it could lead to turnover intention. Same with co-worker trust, the work environment in this case co-worker relation is affecting to job performance, even the co-worker trust in Artotel Yogyakarta is good, but if a problem arise and make the employee does not trust each other, most of them is prefer to quit.
- 2. For future research. The researcher recommends that it is important to conduct a further research about the employees' turnover intention during pandemic covid-19. Because, this pandemic does not going to end in near future. Therefore, the future research should explore more about the indicators that could possibly affect the employees to have turnover intention. Since this research found that there are other factor that could lead the employees for turnover intention which are job performance and personal factor, then the future research should add personal factor as one of the indicator or variable for their research.

# REFERENCES

Akgunduz, Y., Eryilmaz, G. (2018). Does Turnover Intention Mediate the Effects of Job Insecurity and Co-Worker Support on Social Loafing? *International Journal of Hospitality Management*, 68, 41-49. Available https://www.sciencedirect.com/science/article/abs/pii/S0278431917302530#:~:text=While%20the%20 mediating%20effect%20of,and%20social%20loafing%20is%20only. Retrieved on: July 29, 2021

Arikunto, S. (2010). Prosedur Penelitian Suatu Pendekatan Praktik. Jakarta: Rineka Cipta

- Choi, K. (2006). A Structural Relationship Analysis of Hotel Employees' Turnover Intention. Asia Pacific Journal of Tourism Research, 11(4), 321-337. Available at: https://www.tandfonline.com/doi/abs/10.1080/10941660600931150. Retrieved on: October 17, 2021
- Chong, L., Ngolob, R. A., & Palaoang, T. D. (2020). Human Resource Management (HRM) Practices. *Journal* of Advanced Management Science, 8(4). <u>http://www.joams.com/index.php?m=content&c=index&a=show&catid=83&id=520</u>. Retrieved on: August 18, 2021

D. M. Gerung., J. E. Tulung., M. Pandowo

- DeConinck, J. B. (2009). The Effect of Leader-Member Exchange on Turnover among Retail Buyers. *Journal* of Business Research, 62(11), 1081-1086. Available at: https://www.sciencedirect.com/science/article/abs/pii/S0148296308002099. Retrieved on: November 5, 2021
- Denzin, N. K., & Lincoln, Y. S. (1994). Handbook of Qualitative Research. Sage Publications, Inc
- Faldetta, G., Fasone, V., & Provenzano, C. (2013). Turnover in the Hospitality Industry: Can Reciprocity Solve the Problem. *Revista de Turismo y Patrimonio Cultural*, 11(4), 583-595. Available at: <u>https://www.researchgate.net/publication/269395463\_Turnover in the hospitality industry can reciprocity solve\_the\_problem</u>. Retrieved on: August 18, 2021
- Faslah, R. (2017). Hubungan Antara Keterlibatan Kerja dengan turnover Intention pada karyawan PT. Garda Trimitra Utama, Jakarta. Jurnal Ilmiah Econosains, 8(2), 146-151. Available at: <u>http://journal.unj.ac.id/unj/index.php/econosains/article/view/529</u>. Retrieved on: September 8, 2021
- Johannes, Edward, & Rofi'i, M. (2014). Pengaruh Kompensasi dan Iklim Organisasi terhadap Turnover Intention dengan Kepuasan Kerja sebagai Variabel Intervening. *Jurnal Dinamika Manajemen*, 2(2), 141-152. Available at: <u>https://online-journal.unja.ac.id/jmbp/article/view/2138/7629</u>. Retrieved on: June 10, 2021
- Foo, L. P., Chin, M. Y., Tan, K. L., & Phuah, K. T. (2020). The Impact of COVID-19 on Tourism Industry in Malaysia. *Current Issues in Tourism*, Vol. 24, Issue 19. Available at: <u>https://www.tandfonline.com/doi/full/10.1080/13683500.2020.1777951#:~:text=A%20total%20of%201</u> <u>70%2C084%20hotel,the%20outbreak%20of%20COVID%2D19.&text=The%20local%20hotel%20sect</u> <u>or%20is%20projected%20to%20lose%20RM3</u>. Retrieved on: October 17, 2021
- Kim, B.C., Lee, G., Carlson, K.D., (2010). An Examination of the Nature of the Relationship between Leader-Member-Exchange (LMX) and Turnover Intent at Different Organizational Levels. International Journal of Hospitality Management, 29 (4), 591–597. Available at: <u>https://www.sciencedirect.com/science/article/abs/pii/S0278431909001339</u>. Retrieved on: July 12, 2021
- McEvoy, G. M., & Cascio, W. F. (1985). Strategies for Reducing Employee Turnover: A Meta-Analysis. *Journal of Applied Psychology*, 70, 342–353. Available at: <u>https://www.researchgate.net/publication/211390924\_Strategies\_for\_Reducing\_Employee\_Turnover\_A\_Meta-Analysis</u>. Retrieved on: November 23, 2021
- Mensah, R. D. (2014). Effects of Human Resource Management Practices on Retention of Employees in the Banking Industry in Accra, Ghana. Dissertation. School of Business, Kenyatta University. <u>https://ir-</u> <u>library.ku.ac.ke/bitstream/handle/123456789/10951/effectsofhumanresourcemanagementpracticesonrete</u> <u>ntionofemployeesin.pdf?sequence=1</u>. Retrieved on: October 17, 2021
- Miles, M. B., & Huberman, A. M. (1994). *Qualitative Data Analysis: An Expanded Sourcebook*. 2nd Edition. Sage Publications, Inc
- Mobley, W. H. (1986). *Pergantian Karyawan: Sebab, Akibat, dan Pengendaliannya (terjemahan)*. Jakarta: PT Pustaka Binaman Pressindo
- Moorhead, G., & Griffin, R. W. (2013). Perilaku Organisasi: Manajemen Sumber Daya Manusia dan Organisasi. 9th Edition. Salemba Empat.
- Mujiati, N. W., & Dewi, A. A. S. K. (2016). Faktor-faktor yang Menentukan Intensi Turnover Karyawan dalam Organisasi. *Jurnal Ilmiah Forum Manajemen*, 14(2), 55-63. https://ojs.stimihandayani.ac.id/index.php/FM/article/view/139/91. Retrieved on: November 12, 2021

- Savenye, W.C., & Robinson, R.S. (2005). Using Qualitative Research Methods in Higher Education. Journal of Computing in Higher Education, Vol. 16, 65–95. <u>https://link.springer.com/article/10.1007/BF02961475#citeas</u>. Retrieved on: October 17, 2021
- Sobieralski, J. B. (2020). COVID-19 and Airline Employment: Insights from Historical Uncertainty Shocks to the Industry. *Transportation Research Interdisciplinary Perspectives*, 5. <u>https://www.sciencedirect.com/science/article/pii/S2590198220300348</u>
- Su, H. W. (2014). The Factors of Turnover Intention in Hotel Industry. International Journal of Research and<br/>Reviews in Applied Sciences, Vol. 21, No.1, 31-38.<br/>https://www.cabdirect.org/cabdirect/abstract/20153381597. Retrieved on: November 5, 2021

Sugiyono. (2015). Metode Penelitian Kuantitatif, Kualitatif, dan R&D. Bandung: CV Alfabeta

Yang, J., Chin, S. W., & Yi, J. F. (2012). Qualitative Examination of Employee Turnover and Retention Strategies in International Tourist Hotels in Taiwan. *International Journal of Hospitality Management*, 31(3).

https://www.researchgate.net/publication/238504642 Qualitative examination of employee turnover and retention strategies in international tourist hotels in Taiwan#:~:text=According%20to%20Yang %2C%20et%20al,for%20the%20company.%20. . Retrieved on: June 10, 2021

