

**ANALYZING THE EFFECT OF LEADERSHIP STYLE AND JOB ENVIRONMENT TOWARDS EMPLOYEE TURNOVER INTENTION (CASE STUDY : PT.MEARES SOPUTAN MINING/PT.TAMBANG TONDANO NUSAJAYA)**

*ANALISIS PENGARUH GAYA KEPEMIMPINAN DAN LINGKUNGAN KERJA TERHADAP KEINGINAN KARYAWAN UNTUK PINDAH (STUDY KASUS : PT.MEARES SOPUTAN MINING/PT.TAMBANG TONDANO NUSAJAYA)*

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**ABSTRACT**

*A job is an activity, and often performed in exchange for payment. A person usually begins a job by becoming an employee, volunteering, or starting a business. Quite often we see people who move jobs from one profession to another profession. There were also several factors that cause employees out or moved out of a job or profession with different reasons. This study aims to analyzing leadership style and job environment towards employee turnover intention. 45 employees of PT.Meares Soputan Mining/PT.Tambang Tondano Nusajaya were surveyed as respondents. The finding shows that leadership style and job environment have significant influence on employee turnover intention simultaneously. While partially, only job environment has significant influence on employee turnover intention, whereas leadership style does not have any significant influence on employee turnover intention. Creating the good environment is very important to reducing the turnover intention of the employees.*

*Keywords : Leadership style, job environment, employee turnover intention*

**ABSTRAK**

*Pekerjaan adalah kegiatan, dan sering dilakukan dalam pertukaran untuk pembayaran. Seseorang biasanya memulai pekerjaan dengan menjadi seorang karyawan, sukarelawan, atau memulai bisnis. Cukup sering kita melihat orang-orang yang pindah pekerjaan dari satu profesi ke profesi lain. Ada juga beberapa faktor yang menyebabkan karyawan keluar atau pindah dari pekerjaan atau profesi dengan alasan yang berbeda. Penelitian ini bertujuan untuk menganalisis gaya kepemimpinan dan lingkungan kerja terhadap keinginan karyawan untuk pindah. 45 karyawan PT.Meares Soputan Mining / PT.Tambang Tondano Nusajaya disurvei sebagai responden. Hasil penelitian menunjukkan bahwa gaya kepemimpinan dan lingkungan kerja memiliki pengaruh yang signifikan terhadap keinginan karyawan untuk pindah. Namun secara parsial, hanya lingkungan kerja memiliki pengaruh yang signifikan terhadap keinginan karyawan untuk pindah, sedangkan gaya kepemimpinan tidak memiliki pengaruh yang signifikan terhadap keinginan karyawan untuk pindah. Menciptakan lingkungan yang baik sangat penting untuk mengurangi keinginan karyawan untuk pindah.*

*Kata Kunci : gaya kepemimpinan, lingkungan kerja, keinginan karyawan untuk pindah*

## 1. INTRODUCTION

### Research Background

A job is an activity, often regular, and often performed in exchange for payment. A person usually begins a job by becoming an employee, volunteering, or starting a business. The duration of a job may range from an hour (in the case of odd jobs) to a lifetime (in the case of some judges). The activity that requires a person's mental or physical effort is work as in "a day's work". If a person is trained for a certain type of job, they may have a profession. The series of jobs a person holds in their life is their career. Quite often we see people who move jobs from one profession to another profession. There are some criteria for jobs that become a benchmark everyone. For example, sufficient income, employment in the respective fields according to the field-controlled, comfortable feeling, and others. Staff turnover is costly to all level of organizations regardless of its nature and usually the productivity and the quality of the product or services are always negatively affected. The current era of 21st century are full of intense competition forces in the highly globalized market environment, staff turnover cost is inevitably and expected to reduce and weaken the competitiveness of an organization.

PT Meares Sopotan Mining (MSM) / PT. Tambang Tondano Nusajaya (TTN), is an Indonesian limited liability company, formed in the framework of Foreign Investment. The goal, to open gold mines in the area Toka Tindung, located 35 km northeast of Manado, North Sulawesi, located in North Minahasa and Bitung City. In MSM / TTN occur where the employee in this company signed out of the company for various reasons, for example; because of the team work matter. It is occurs because the leader of the team out of the company, moved elsewhere and its members also participate with the leader of the team. Other reasons are employees underlying earnings, convenience in work, as well as family reasons.

### Research Objectives

The objectives of this research are to analyzing the effect of:

1. Leadership Style and Job Environment Towards Employee Turnover Intention, simultaneously.
2. Leadership Style Towards Employee Turnover Intention, partially.
3. Job Environment Towards Employee Turnover Intention, partially.

### Theoretical Framework

#### Human Resources Management

Human Resources Management (HRM) is the utilization of individuals to achieve organization objectives. Basically, all managers get things done through the efforts of other. Consequently, managers at every level must concern themselves with HRM.

#### Leadership

Leadership is that process in which one person sets the purpose or direction for one or more other persons and gets them to move along together with him or her and with each other in that direction with competence and full commitment. "Leadership is the accomplishment of a goal through the direction of human assistants. A leader is one who successfully marshals his human collaborators to achieve particular ends.

**Leadership Style**

There are different ways in which leaders approach people to motivate them. If the approach emphasizes rewards, the leader uses positive leadership. If the approach emphasizes penalties, the leader is applying negative leadership. Negative leaders should be called bosses rather than leaders. There are three classes of supervisory techniques – autocratic, participative or consultative and free-rein and corresponding to these three techniques, there are three management styles – autocratic, democratic and laissez-faire. To these one more may be added-paternalistic style.

**Job Environment**

The Location where a task is completed, when pertaining to a place of employment, the work environment involves the physical geographical location as well as the immediate surroundings of the workplace, such as a construction site or office building. A positive work environment makes employees feel good about coming to work, and this provides the motivation to sustain them throughout the day.

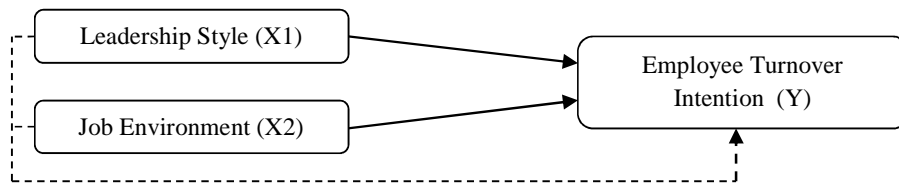
**Employee Turnover Intention**

Turnover can be defined as the movement of labour out of and into a working organization (Lashley, 2000). Another definition may be simply stated as when an employee leaves an organization for whatever reasons. Turnover intention refers to an individual’s estimated probability to leave his or her current organization at some point in the near future (Brough and Frame, 2004). Price and Muller (1981) recommended the use of turnover intention over actual turnover because the latter is more difficult to predict as there are many external factors that affect turnover behaviour.

**Previous Research**

Choi Sang Long, *at al.* (2012), Leadership Style and Employee’s Turnover Intention: Exploratory Study Of Academic Staff in Malaysian College. The study result, transformational and transformational leadership styles are found to have negative relationship to employee turnover intention but the correlation of these two variables are not significant. Ray Markey, *at al.* (2013), The Impact of the Quality of the Work Environment on Employee’s Intention to Quit. The results indicate that if the QWE is considered bad by employees, then high levels of stress, information on important decisions and job satisfaction decreases have less of an effect on probability that the respondent will think about leaving.

**Conceptual Framework**



Notes: —→ Partially; - -→ Simultaneously

**Figure 1. Conceptual Framework**  
 Source: Data Processed, 2015.

## Research Hypothesis

1.  $H_1$  : Leadership style and job environment has simultaneous influence on employee turnover intention.
2.  $H_2$ : Leadership style have partial influence towards employee turnover intention.
3.  $H_3$ : Job environment have partial influence towards employee turnover intention.

## 2. RESEARCH METHOD

### Type of Research

This research type is causal uses quantitative type of research. Quantitative research or quantitative method based on Sugiyono (2013) defined as research method based on positivism paradigm that used to investigate specific population or samples. This research in field of human resources management will investigate the effect of leadership style and job environment towards employee turnover intention at PT. Meares Sopotan Mining / Tambang Tondano Nusajaya.

### Place and Time of Research

This research is conducted at PT.MSM / PT. TTN Likupang, North Sulawesi, Indonesia. This research had conducted during September to October 2015.

### Population and Sample

Population is the entire group of people, events or things of interest that the researcher wishes to investigate. (Sekaran and Bougie, 2009). The population in this research is the employee at PT.MSM / PT. TTN, exclude the out-sourcing employees. The samples of this research are employees at PT.MSM and TTN. The samples taken are 45 respondents. Total 75 questionnaires were distributed, where 45 questionnaires were returned.

### Data Collection Method

Data information collected to support this research is taken from primary and secondary data. The primary data of this research are taken from questionnaire. Questionnaires are distributed to the employees at PT. MSM / PT. TTN. The secondary data is data collected by studying the relevant literature in order to obtain a theoretical overview from books, journals, and relevant literature from library and internet.

### Operating Definition of Research Variables

1. Leadership style ( $X_1$ ) Leadership Is a major way that implement at PT.MSM / PT. TTN in which people change the minds of others and move minds of others and move organizations forward to accomplish identified goals.
2. Job environment ( $X_2$ ) is The circumstances, situation and condition at PT.MSM / PT. TTN where a task is completed. When pertaining to a place of employment, the work environment involves the physical geographical location as well as the immediate surroundings of the workplace.
3. Employee turnover intention refers to an individual's estimated probability to leave his or her current organization at some point in the near future at PT.MSM / PT. TTN.

**Data Analysis Method**

**Validity and Reliability Test**

To analyze the validity of questionnaire, Pearson Product Moment is used. An instrument measure is valid if the instrument measure what ought to be measured. “Reliability test is established by testing for both consistency and stability of the answer of questions. Alpha Cronbach is reliable coefficients that can indicate how good items in asset have positive correlation one another” (Sekaran, 2006)

**Multiple Regression Analysis Model**

Multiple Regression Analysis Model Multiple regression analysis is the process of constructing a mathematical model or functions that can be use predict or determine one variable by another variable or other variables. The equation is:

$$y = a + 1x1 + 2x2+e$$

- Notes: y : Employee Turnover Intention
- a : Intercept
- 1- 4 : Regression Coefficient of Each Variable
- X1 : Leadership Style
- X2 : Job Environment
- e : Error

**3. RESULT AND DISCUSSION**

**Result**

**Validity and Reliability**

All the indicators of each variable that used in this research are greater than 0.3. It is means all the indicators used in this research are valid. For X 1 , the Alpha Cronbach is 0.834, X 2 the Alpha Cronbach is 0.742, X 3 the Alpha Cronbach is 0.780. For Y, the Alpha Cronbach is 0.917. In this research it shows that the value of Cronbach’s Alpha for all of the variables is greater than 0.7, which means the overall variables in this research has a good internal consistency or consider.

**Multiple Regression Test**

**Table 1. Multiple Regression Test**

Coefficients<sup>a</sup>

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	6,885	3,795		1,814	,077
Leadership Style	-,110	,182	-,085	-,604	,549
Job Environment	,547	,203	,379	2,696	,010

a. Dependent Variable: Employee Turnover Intention

Source : Data processed. 2015

The equation is as follow :

$$Y = a + 1x1 + 2x2+e = 6.885+(-0.110x1)+0.547x2+e$$

The Interpretation:

1. Constant 6.885 shows the effect of Leadership Style (x1) and Job Environment (x2) on Employee Turnover Intention (Y).
2. Leadership Style (X1) shows the coefficient value of 0.115, it is mean every 1 scale added on Leadership Style will increase 0.115 the value of Employee Turnover Intention.
3. Job Environment (X2) shows the coefficient value of 0.547, it is mean every 1 scale added on Perceived Ease of Use will increase 0.547 the value of Employee Turnover Intention.

**Table 2. R and R 2**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,387 <sup>a</sup>	,150	,111	2,830

a. Predictors: (Constant), Job Environment, Leadership Style

b. Dependent Variable: Employee Turnover Intention

Source : Data Processed, 2015

Based on the analysis of correlation (R) the value is equal to 0.387 indicating the Correlation of Leadership Style (X1) and Job Environment (X2) on Employee Turnover Intention(Y) has moderate positive association. R Square is usually called the coefficient of determination which is 0.150 or 15% that means Employee Turnover Intention is able to be explaining by Leadership Style and Job Environment. And the rest 85% are cause by other factors that not discussed in this research.

**Classical Assumption Test**

**Table 3. Multicollinearity**

Model		Colinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Leadership Style	1,000	1,000
	Job Environment	1,000	1,000

Source : Data Processed, 2015

Tolerance value of independent variable is greater than 0.2, and Variance Information Factor (VIF) has value less than 10, than the research model classified free from multicollenearity.

**Hypothesis Testing**

**Table 4. F-test Result**

ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	60,842	2	30,421	3,797	,030 <sup>b</sup>
	Residual	344,484	43	8,011		
	Total	405,326	45			

a. Dependent Variable: Employee Turnover Intention

b. Predictors: (Constant), Job Environment, Leadership Style

Source : Data Processed, 2015

Based on the level of significant that is 0.05 ( = 0.05) and the degree of freedom (df) = 2, this research was found that  $F_{count}$  is 3.797 while  $F_{table}$  is 3.21, based on the value it shows the value of  $F_{count}$  greater than  $F_{table}$ ., which means:

1.  $H_0$  is rejected and  $H_1$  is accepted than, it can be says Leadership Style (X1) and Job Environment (X2) has simultaneously influences on Employee Turnover Intention. Thereby, hypothesis 1 is accepted.

**Table 5. T-test Result**

Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6,885	3,795		1,814	,077
	Leadership Style	-,110	,182	-,085	-,604	,549
	Job Environment	,547	,203	,379	2,696	,010

Source : Data Processed, 2015

1. (H2): Leadership Style (X1) shows that  $t_{count}$  is -0,604 and  $t_{table}$  is 2,016 which  $t_{count} < t_{table} = -0,604 < 2,016$ . Therefore, then  $H_0$  is accepted and  $H_1$  is rejected, which means Leadership Style has no significant influence on Employee Turnover Intention. This means Hypothesis 2 is rejected.
2. (H3): Job Environment (X2) shows that  $t_{count}$  is 2,696 and  $t_{table}$  is 2,016 which  $t_{count} > t_{table} = 2,696 > 2,016$ . Therefore, then  $H_0$  is rejected and  $H_1$  is accepted, which means Job Environment has significant influence on Employee Turnover Intention. This means Hypothesis 3 is accepted.

**Discussion**

Based on the result above shows that Leadership Style (X1) has no significant influence on Employee Turnover Intention, however Job Environment (X2) has positive influence on Employee Turnover Intention. The analysis shows that Leadership Style (X1) has no significant Influence on Employee Turnover Intention. It means the indicators of Leadership Style: motivated, directed, inspired, and creating the right environment that Leader PT.MSM / PT. TTN does, will not influence on Employee Turnover Intention in that Company. The result analysis of Job Environment (X2) shows that this variable is a factor that influence on Employee Turnover Intention (Y). It means that stress, threatened, uncomfortable and work overload are having influence on Employee Turnover Intention.

**4. CONCLUSION AND RECOMMENDATION**

**Conclusion**

There are four constructive findings in this research, which are listed as follow:

1. There is significant influence of leadership style and job environment on employee turnover intention.
2. Leadership Style motivated, directed, inspired and created the right environment has no significant influence on employee turnover intention.
3. Job Environment with level of stress, threat, uncomfortable and overload work has significant influence on employee turnover intention.

**Recommendation**

Therefore, the several recommendations given are:

1. Overall the Leadership style in PT.MSM / PT. TTN so far so good because the result shows that Leadership style has no significance influence on employee turnover intention. Leader capable to motivated, directed, inspired and created the right environment and maintain the good relationship between the employees so the employees be able to achieve the company goals.
2. Related to Job Environment, level of stress, threat, uncomfortable and overload work has significant influence on employee turnover intention. With the increase in job stress employee turnover intention will increase. Work overload can make the employees thinks to leave their job because they are over burden. Creating the good environment, situation and condition, low stress level, feeling appreciated by management or comfortable and not feeling threatened is very important to reducing the turnover intention of the employees.

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