

## The Effect of Job Satisfaction and Gender on the Relationship between Employee Engagement and Intention to Leave in PT X: A Moderated Mediation Analysis

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### ABSTRACT

This study aims to determine the effect of job satisfaction and gender on the relationship between employee engagement and intention to leave. The population in this study were all employees of PT X. The 121-sample size was determined by Slovin formula. The study used convenience sampling for the sampling technique. The data obtained were analyzed with Simple Mediation Model with Macro Process. The research findings contended that job satisfaction is proven to mediate the relationship between employee engagement and intention to leave which moderated by gender.

**Keywords:** Employee Engagement, Intention to Leave, Job Satisfaction

### INTRODUCTION

Unexpected employee turnover is one of the major and expensive problems all companies have to struggle with. It causes increasing costs and loss of productivity. Consequently, they have to rearrange their human capitals to ensure their business activities could go as planned. This was what PT X, a company specializing in the distribution of clean water in Jakarta, experienced. The company considered that its investment in the employee development was a failure due to their intended leaves. As recruiting new employees is not a simple matter, the company has to sacrifice more time and finance in addition to certain knowledge and skills the company needs is not available in the labor market. Pienaar & Bester in Robyn & Du Preez (2013) argued that the retention of human resources is pre-eminent for organizations in which financial sustainability depends on human resources with specific and scarce abilities. This is the challenge to which the company should rise.

To deal with such problem, PT X needs to carry out employee engagement. It refers to a sense of enthusiasm and commitment enabling people to develop their business on an ongoing basis for company's success. Engaged employees will show more satisfied attitudes towards their works and satisfied employees will show positive attitudes both towards the work and their environment. Over the last few years, most of companies are mindful to increase employees' job satisfaction (Lam, et al, 2020), since job satisfaction is believed to be a good predictor of employee's tendency to leave the company (Shields & Ward, 2001).

With the above description, the main purpose of this study is to investigate the effect of job satisfaction and gender on the relationship between employee engagement and intention to leave.

Markos & Sridevi (2010) defined employee engagement as involvement with and enthusiasm for work. Hellevig (2012) stated that employee engagement deals with how to achieve company's strategic goals by creating ideal conditions for human resources to drive and for each person in organization to eagerly deliver his/her best efforts for the company. According to Schaufeli & Bakker (2004), and Damayanti (2019), employee engagement is a condition of a positive and satisfied mind, which is characterized by vigor, dedication, and absorption.

Blessingwhite (2013) emphasized employee engagement on cognitive connections between employees to work and the attitude the employees express into job satisfaction and its impact on how hard they work. Psychological concepts which connect employees with their work are part of the job engagement. These concepts include organizational citizenship behavior (Macey & Schneider, 2008), job satisfaction (Harter et al., 2002), organizational commitment (Macey and Schneider, 2008), job involvement (Harter et al., 2002; Salanova et al., 2005), organizational identification (Gonzalez-Roma et al., 2006), proactive behaviors (Macey & Schneider, 2008), and motivation (Salanova et al, 2005).

Furthermore, employee engagement is associated with reduced costs of employee turnover, lower cost of goods sold, and lower quality errors (Harter et al, 2002; Schaufeli & Bakker, 2004). Therefore, according to Salanova et al. (2007), employee engagement could be a solution for dealing with employee turnover. Ellis & Sorensen (2007) explained that employees with higher levels of engagement have lower levels of intention to leave.

Another frequently discussed factor under this topic is job satisfaction. Job satisfaction is about a positive feeling on the job, resulting from an evaluation of its characteristics. Robbins & Judge (2017) argued that people with a high level of job satisfaction take a positive attitude towards their jobs. Griffin, et al. (2017) added that job satisfaction reflects our attitudes and feelings about our jobs. It represents how we feel about the jobs and what we think about them (Qing, et al., 2020), the dimensions of which consist of work, pay, promotion, supervision, and coworkers (Kreitner & Kinicki, 2010); Robbins & Judge, 2017).

Job satisfaction is a complex construction, a multidimensional phenomenon with various antecedents. According to Buitendach & De Witte (2005), job satisfaction covers a multifaceted construction consisting of both intrinsic and extrinsic elements of work. The intrinsic elements of job satisfaction arise from internally mediated rewards, while the extrinsic elements arise from externally mediated rewards (Mosadeghrad et al. 2008). External rewards contend with aspects which have little to do with the role of work, whereas internal rewards talk about the role of work itself (Buitendach & De Witte, 2005). External rewards include working conditions and salaries, while internal rewards comprise factors such as skill utilization and autonomy.

Job satisfaction might affect a variety of important attitudes, intentions, and behavior of employees. Pienaar and Bester (2008) contended that various studies found the relationship between linking low level of job satisfaction and increased intention to leave (labor turnover).

The intention to leave is commonly called turnover intention (Shields & Ward, 2001). It concerns to a process in which employees leave the company and seek alternative employment, making the position they leave have to be filled by someone else (Puspitawati & Atmaja, 2019; Widyani et al., 2019). Bothma & Roodt (2012) described employee turnover intention as a type of resignation behavior related to the basis of identification of work. They further asserted that turnover intention is the conscious and planned willingness of employees to leave the organization and that it is considered as the last process in the order of resignation cognition. Du Plooy & Roodt (2010) contended that their leaves is intentionally realized and planned by employees to leave the organization.

Tuzun & Kalemci (2012) confirmed that many studies contended that the intention is a good predictor of actual employee turnover. Thus, companies are duty-bound to investigate and understand the reasons behind employees' desire to leave, to control or minimize it. Robyn & Du Preez (2013) illustrated the value of investigating it for a proactive approach to setting organizational retention strategies to ease back the intention. In addition, Du Plooy & Roodt (2010) argued that a proper understanding of logical reasoning behind could allow organizations to set more effective management strategies.

However, some research revealed different results regarding job satisfaction and gender. Some might assume that women tend to be more satisfied than men (e.g., Sousa-Poza & Sousa-Poza, 2007). Some explanations clarified the differences of job satisfaction between women and men despite their different work conditions and compensation levels. Women may hold different expectations with men. As women's expectations for their work are lower than men's, they will be more mindless to feel satisfied even if they receive less. Since they differently value fairness in the distribution of rewards, this allows women to be more satisfied with what they receive even though it is less than what is felt by men. Economic studies concluded that due to their lower expectations about their careers, women seem to have higher job satisfaction than men with the same job do, which generally reduces employee turnover (Sousa-Poza & Sousa-Poza, 2007).

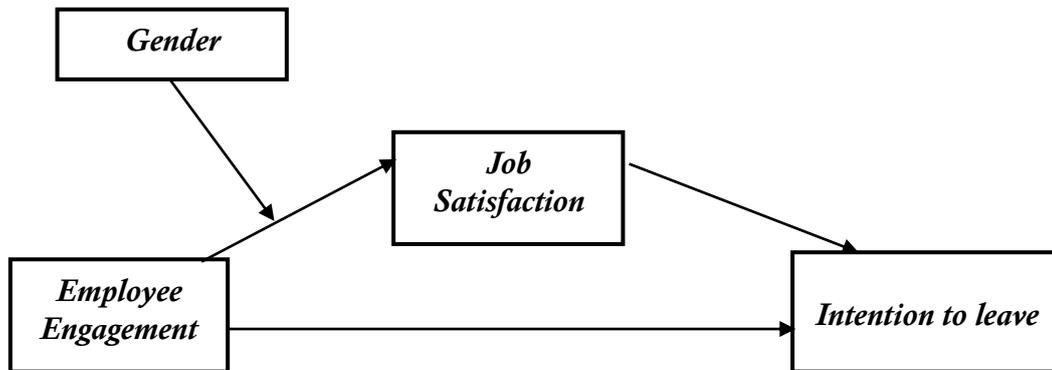
By the whole of this study topic, Tejpal (2015) argued that employee engagement is positively and significantly related to job satisfaction. Harter et al. (2002), and Mauno et al. (2005) found a positive relationship between work engagement and overall job satisfaction. Furthermore, Berry (2010) used job satisfaction as a mediating variable in seeing the relationship between employee engagement and employee turnover.

El-Jardali et al. (2007) identified a negative correlation between job satisfaction and intention to leave. The Segal Group, Inc. (2006a) uncovered an inverse relationship between employee engagement and turnover intent. Besides, The Segal Group, Inc. (2006b) highlighted that uninvolved employees have the highest turnover intentions. Thus, highly engaged employees have low intention to leave (Ellis & Sorensen, 2007), and they are less likely to leave, derive more job satisfaction, and are not easily stressed out (Nowack, 2008).

However, regarding the effect of gender differences on job satisfaction and intention to leave has not been ascertained. Some studies concluded that women have higher turnover rate, while other studies suggested their minor differences.

For the representation of key concepts in this study, Figure 1 presents the model of this research.

**Figure 1. Research Model**



Based on the model, we put forward the conceptual hypotheses of this study as follows:

Hypothesis 1: There is an effect of employee engagement on job satisfaction.

Hypothesis 2: There is an effect of employee engagement on intention to leave.

Hypothesis 3: There is an effect of job satisfaction on intention to leave.

Hypothesis 4: Gender moderates the effect of employee engagement on job satisfaction.

Hypothesis 5: Gender mediates job satisfaction in employee engagement relationships and intention to leave.

## RESEARCH METHOD

This research paper used several instruments to measure the data. The employee engagement was measured by the instruments developed by Schaufeli & Bakker (2003), the job satisfaction was measured by Job Satisfaction Survey (JSS) developed by Spector (1985), and the intention to leave was measured by instruments adapted by Michaels & Spector (1982), and Jackofsky & Slocum (1987).

The study population included all employees of PT X with 174 employees. By using the Slovin formula, the number of samples taken in this study was 121. The sampling technique used was convenience sampling.

The data were analyzed by Simple Mediation Model developed by Hayes (2013) with Macro Process aided with SPSS Process 23.0 using ordinary least squares and logistic regression path analysis modeling.

## RESULTS AND DISCUSSION

In this section, we will illustrate some experimental results. The study conducted the reliability test, validity test, descriptive statistics, p plots normality test, average value analysis, and Preacher Hayes analysis. Validity and reliability test results produced the scale to be valid and reliable. The correlation coefficient of employee engagement

ranged from 0.507 to 0.799 with  $p < 0.05$ . The correlation coefficient of job satisfaction was 0.336 to 0.653 with  $p < 0.05$ , while the intention to leave has the correlation coefficient of 0.601 to 0.839 with  $p < 0.05$ . The Cronbach's Alpha values ( $> 0.7$ ) of employee engagement was 0.894, job satisfaction was 0.858, and intention to leave was 0.921. As the data processed was normally distributed, the normality test was fulfilled.

Table 1 below provide the demographic profile of this study respondents such as gender, age, service period, and education background. Since the majority of PT X employees were male, most of this study respondents were dominantly male. In addition, most respondents were aged twenty-seven to thirty-one years old, and mostly had worked for the company for one to four years. As for the education background, most of them had undergraduate degrees.

**Table 1. Characteristics of Respondents**

No.	Respondent Data	Frequency	Percentage
<b>1</b>	<b>Gender</b>		
	Male	62	51.2
	Female	59	48.8
	Total	121	100
<b>2</b>	<b>Age</b>		
	22-26	32	26.4
	27-31	39	32.3
	32-36	22	18.2
	37-41	15	12.4
	42-46	9	7.4
	47-51	2	1.7
	52-56	2	1.7
	Total	121	100
<b>3</b>	<b>Service Period</b>		
	1-4	53	43.8
	5-8	37	30.6
	9-12	15	12.4
	13-16	7	5.8
	17-20	3	2.5
	21-24	3	2.5
	25-28	1	0.8
	29-32	2	1.7
	Total	121	100
<b>4</b>	<b>Education</b>		
	≤ Senior High School	16	13.2
	Diploma	5	4.1
	Undergraduate degree	87	71.9
	Postgraduate degree	13	10.7
	Total	121	100

Table 1 indicated that the majority is aged twenty-seven to thirty-one years. The most dominant number of years working is those who work for one to four years, and most of them an undergraduate degree.

The mean score analysis showed the respondents' interpretation on employee engagement has the highest score by 3.64. The mean score of job satisfaction is 3.36 (moderate category). At last, the mean score of intention to leave is 2.76 (moderate category).

This study utilized Preacher-Hayes (the simple mediation model) for the data analysis, with Model = 7; Y = intention to leave (ITL); X = Employee engagement (EE); M = Job satisfaction (JS), and W=Gender (G). Table 2 and Table 3 illustrates the summary.

**Table 2. Model Summary of Test Results**

R	R-sq	MSE	F	df1	df2	p
Model Summary Outcome JS:						
.6495	.4219	.1296	28.4604	3.0000	117.0000	.0000
Model Summary Outcome ITL:						
.5288	.2796	.4575	22.9028	2.0000	118.0000	.0000

**Table 3. Test Results**

Description	Coeff.	se	t	p	LLCI	ULCI
Outcome JS:						
Constant	.5557	.6572	.8456	.3995	-.7459	1.8573
EE	.8194	.1759	4.6577	.0000	.4710	1.1678
G	.7518	.4004	1.8777	.0629	-.0411	1.5447
Int_1	-.2247	.1083	-2.0759	.0401	-.4391	-.0103
Interactions:						
Int_1	EE	X	G			
Outcome ITL:						
Constant	5.9085	.4710	12.5439	.0000	4.9757	6.8412
JS	-.6308	.1699	-3.7139	.0003	-.9672	-.2945
EE	-.2669	.1293	-2.0645	.0412	-.5228	-.0109

Table 3 unveils that employee engagement influences job satisfaction with  $p = 0.000 < 0.05$ , LLCI = 0.4710, and ULCI = 1.1678). Thus, Hypothesis 1 is proven; there is a positive effect of employee engagement on job satisfaction.

The p-value of int\_1 could be used to investigate gender moderation to the effect of employee engagement on job satisfaction. Table 2 illustrates that the p-value of int\_1 is  $0.0401 < 0.05$ ; LLCI = -0.4391, and ULCI = -0.0103. This confirms the negative effect of gender moderation. Hypothesis 4 is accepted; gender moderates the effect of employee engagement on job satisfaction.

Employee engagement has a significant negative effect on intention to leave since  $p = 0.0412 < 0.05$ ; LLCI = -0.5228, ULCI = -0.0109 (see Table 4). Therefore, hypothesis 2 is proven; there is a negative effect of employee engagement on intention to leave. Job satisfaction significantly negative effect on intention to leave for  $p = 0.0003 < 0.5$ ; LLCI = -0.9672, ULCI = -0.2945 (See Table 3). Hence, hypothesis 3 is accepted; there is a negative effect of job satisfaction on intention to leave.

**Table 4. Direct Effect EE on ITL**

Effect	SE	t	p	LLCI	ULCI
-0.2669	.1293	-2.0645	.0412	-.5228	-.0109

**Table 5. Conditional Indirect Effect of EE on ITL at Values of the Moderator**

	Gender	Effect	Boot SE	BootLLCI	BootULCI
Mediator:					
JS	1.000	-.3751	.1219	-.6327	-.1540
JS	2.000	-.2334	.0888	-.4426	-.0904

**Table 6. Index of Moderated Mediation**

	Index	SE (Boot)	BootLLCI	BootULCI
Mediator:				
JS	.1418	.0974	-.0141	.3770

Table 5 implies that significantly job satisfaction mediates the effect of employee engagement on intention to leave. The mediator value by men gender is BootLLCI = -0.6327, and BootULCI = -0.1540, while the mediator value by women gender is BootLLCI = -0.4426, and BootULCI = -0.904. Hypothesis 5 is accepted; gender mediates job satisfaction in employee engagement relationships and intention to leave.

The high value of overall mean score of employee engagement leads to a conclusion that employees of PT X are highly engaged. As higher employee engagement could increase job satisfaction, the company need to maintain the employee engagement. Additionally, the moderate value for overall mean score of job satisfaction implies that PT X employees' job satisfaction with pay, work, promotion, supervision, and coworkers is ample. The statement "I like the people I work with" provides the highest mean score, which means that the employees are highly satisfied with the conditions of their relationship with their coworkers. While the statement with the lowest mean score is "lack opportunity for promotion in my work" indicating that the employees are not satisfied with the incommensurate promotional opportunities. Thereupon, the company must consider to provide more promotion opportunities since several previous studies concluded that higher job satisfaction will reduce intention to leave.

Furthermore, the moderate value for overall mean score of the employee's intention to leave signifies their moderate tendency to leave the company. Since the statement of "I often seriously consider leaving my job" has the highest mean score, it deduces that the employees seriously consider leaving the company oftentimes. To address this, the company has to build up employee engagement and job satisfaction.

Our experiments corroborate with previous study results (e.g., Harter et al., 2002; Mauno et al, 2005; Tejpal, 2015) contending that employee engagement positively and significantly influences job satisfaction. Other studies stressed that when job satisfaction increases, it reduces the intention to leave (El-Jardali et al, 2007; Ellis & Sorensen, 2007; Nowack, 2008; The Segal Group, Inc., 2006b).

Further, Berry (2010) proved that job satisfaction mediates the relationship between employee engagement and intention to leave. This lends support to this study finding that mediating job satisfaction in employee engagement and intention to leave relationships is significant. This study substantiates that gender mediates job satisfaction in the relationship of employee engagement and intention to leave. Moreover, gender moderates the influence of employee engagement and job satisfaction. Since the moderating effect is negative, gender reduces the effect of employee engagement on intention to leave through job satisfaction.

### CONCLUSIONS

In parallel with the data and analysis above, our work has led us to conclude that (1) employee engagement has a positive and significant effect on job satisfaction; (2) employee engagement has a negative and significant effect on intention to leave; (3) job satisfaction has a negative and significant effect on intention to leave; (4) gender significantly moderates the effect of employee engagement on job satisfaction; and (5). gender mediates job satisfaction in relationships of employee engagement and intention to leave.

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