

## Employee Retention through Organizational Commitment, Work Engagement, and Job Satisfaction



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**ABSTRACT:** Commitment can increase organizational ownership, performance, and retention with the ultimate goal of minimizing employees' desire to leave the organization because high turnover costs result in costs that are never considered. This research aims to determine and analyze the influence of work engagement and job satisfaction on the organizational commitment of employees PT. Jakartana Tama Ciawi-Bogor, both partially and simultaneously. This research uses descriptive and verification methods. The sample in this study amounted to 161 people using *non-probability sampling* with a saturated sampling technique. Data collection techniques through distributing questionnaires. Data processing uses multiple linear regression analysis with SPSS Version 25.00. The research results show that work engagement t and job satisfaction positively and significantly affect organizational commitment, both partially and simultaneously.

**KEYWORDS:** Job Satisfaction, Organizational Commitment, Retention, Work Engagement.

### I. INTRODUCTION

In this dynamic environment, the development of information technology and improving the quality of human resources (HR) have been very significant. This requires organizations to adapt and even be proactive about changes so as not to be left behind by the competition. Therefore, it is important for organizations to continue to adapt and innovate in order to survive and thrive in the marketplace.

Hulman's relationships are an important asset and act as the main driving factor in implementing all company activities. As an HR asset, they must be managed and maintained so that they continue to contribute to the company's development and success in achieving its goals. One way to manage and maintain human resources is to increase employee organizational commitment.

Organizational commitment is a psychological condition that characterizes the relationship between employees and the organization and has implications for individual decisions to remain or leadership of the organization, (Busro, 2018). Building a commitment does not take long, but maintaining a commitment that has been formed requires more time and effort. Commitment can increase organizational ownership, performance, and retention with the ultimate goal of minimizing employees desire to leave the organization because turnover high cost actually result in cost that are never seen and taken into account.

One factor that can influence organizational commitment is work engagement. Work engagement is the level at which an employee identifies with his work and actively participates in it. He considers his work performance an important part of his self-esteem, (Robbins & Judge, 2015). Aligning individual and organizational goals manifests employee commitment and is realized through active involvement, (Harini et al., 2020). Work engagement refers to energy focused on organizational goals; with involvement, employees will work harder to increase energy, (Harini et al., 2019).

Apart from work engagement, satisfaction is also a factor that influences organizational commitment. Job satisfaction is an emotional condition that arises from assessing one's job or experiences at one's job (Colquitt et al., 2014). Organizational commitment increases, and employees gain job satisfaction (Sadikin et al., 2024). Employees who feel satisfied and have had their work needs met tend to maintain themselves and choose to stay with the company.

PT. Jakarana Tama Ciawi-Bogor is a food manufacturing company that produces instant foods such as noodles. PT. Jakarana Tama is known to the public in Gaga's trademark. The level of instant food consumption in Indonesia is very high, so PT. Jakarana Tama is entirely with other instant food product producers. Companies need to develop various strategies to survive

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and increase competitiveness. One important strategy is to increase employee organizational commitment. Strong organizational commitment is the foundation for a company to achieve its goals in the long term.

The problems found by researchers at PT. Jakarta Tama Ciawi-Bogor, which is related to organizational commitment, is the low organizational commitment of employees. Based on the preliminary survey results, questionnaires were distributed to 15 PT employees. Jakarta Tama Ciawi-Bogor found that 9 out of 15 employees (58%) felt they did not have organizational commitment. Six employees answered that they did not have confidence in being part of the company (40%). 5 employees answered that they did not have a strong desire to stay at the company (33%). 8 employees answered that they did not have a sense of responsibility to advance their company (53%).

One of the factors thought to contribute to reducing the level of organizational commitment at PT. Jakarta Tama Ciawi-Bogor is employee work engagement. High work engagement is related to lower levels of absenteeism and lower resignation (Robbins & Judge, 2015). Based on data obtained, the average annual absenteeism level of PT employees. Jakarta Tama Ciawi-Bogor reached 3%. An absenteeism rate of 2-3% per month is still considered good, while an above 3% indicates poor disciplinary conditions, (Ardana et al., 2014). Even though the absenteeism rate is still in the good category, the company has a tolerance limit for employee absenteeism set at 1%. This means that the average employee is absent at PT. Jakarta Tama Ciawi-Bogor is classified as high because it exceeds the tolerance limit set by the company. This indicates that employee work engagement is still relatively low

Apart from work engagement, the factor is thought to contribute to reducing organizational commitment at PT. Jakarta Tama Ciawi-Bogor is employee job satisfaction. One indicator of job satisfaction is promotion satisfaction, which reflects employees' perceptions of the company's promotion policies and their implementation, including frequency, transparency, and fairness in providing promotions, (Colquitt et al., 2014). The promotion is important for the company because it indicates its survival. Apart from that, promotions aim to provide opportunities for employees to develop creativity and innovation, expand knowledge and work excellence, and encourage improvements in the performance of other employees, (Hasibuan, 2019). Based on data obtained regarding PT. Jakarta Tama Ciawi-Bogor, the average number of employees who received promotions in the last five years was 3 percent (1.46%). The low percentage of promotions every year at PT. Jakarta Tama Ciawi-Bogor: (1) unclear company promotion policies and (2) limited promotional opportunities in the company. This is thought to be the cause of low employee organizational commitment.

## II. METHOD

This research uses quantitative methods with descriptive and verification approaches to analyze data. Quantitative methods are used to research certain populations or samples with research instruments, collect data, analyze it statistically, and test preliminary hypotheses, (Sugiyono, 2018).

The population in this study includes 161 employees of PT Jakarta Tama Ciawi-Bogor. The sampling techniques used a saturated sample, so the entire population, namely 161 employees, was sampled.

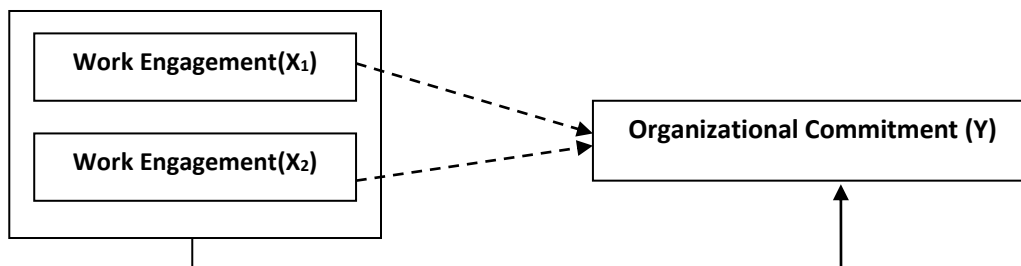
The variables in this research consist of two types, namely independent variables and dependent variables. The independent variables in this research are the work engagement variable ( $X_1$ ) and the job satisfaction variable ( $X_2$ ), while the dependent variable is the organizational commitment variable ( $Y$ ). Work engagement is measured by indicators of enthusiasm, dedication, and absorption, (Robbins & Judge, 2015). Job satisfaction is measured by indicators of salary satisfaction, promotion satisfaction, satisfaction with superiors, satisfaction with coworkers, and satisfaction with the job itself, (Colquitt et al., 2014). Organizational commitment is measured by indicators of affective commitment, sustainable commitment, and normative commitment, (Busro, 2018). All statements contained in the questionnaire were measured using a Likert scale with five points ranging from 1 for strongly disagree to 5 for strongly agree.

This research uses primary data obtained directly through observation, interviews, and questionnaire distribution, as well as secondary data obtained from company archival data and other literature. The data analysis tool used in this research uses multiple linear regression analysis with the help of the Statistical Package for Social Sciences (SPSS) version 25.00.

The hypotheses proposed in this research are as follows:

1. There is a partial positive and significant influence of work engagement on organizational commitment ( $H_1$ )
2. There is a partial positive and significant influence of job satisfaction on organizational commitment ( $H_2$ )
3. There is a positive and significant influence on work engagement and job satisfaction simultaneously on organizational commitment ( $H_3$ )

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**Figure 1. Thinking Framework**

Source: Proccesed Data, 2024

Information:

→ = Simultaneously

- - - → = Partial

## III. RESULTS

### Research Result

#### 1. Instrument Test

Based on the validity testing results using corrected item-total correlation with the criteria ( $CIT \geq 0.361$ ), it is concluded that all statements items of the independent variable and dependent variable have valid status because the correlation value is by the determined value, namely could higher or equal to travel.

Instrument reliability test results with Cronbach Alpha ( $\alpha \geq 0.6$ ) conclude that the value is higher than the specified value of 0.6 for each variable. The results of this test prove that the measuring instrument used is reliable, so it can be concluded that the measuring instrument used to measure the variables of work engagement, job satisfaction, and organizational commitment has provided consistent results.

#### 2. Classical Assumption Test

##### a. Normality Test

The results of the normality test using Kolmogrov-Smirnov produced an Asymp.Sig.(2 taileld) value of 0.083 and the value was higher than then significance value of 0.05 ( $0.083 > 0.05$ ), so it was concluded that the data had a normal distribution. The normality test was carried out using a histogram graph and a normal P-plot.

##### b. Multicollinearity Test

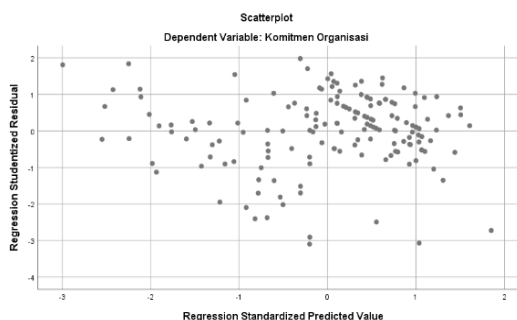
**Table 1. Multicollinearity Test Result**

Model	Collinearity Statistics			Decision
	Tolerance	VIF	Sig	
Work Engagement (X <sub>1</sub> )	0,780	1,282	0.008	Multicollinearity Free
Job Satisfaction (X <sub>2</sub> )	0,780	1,282	0,000	Multicollinearity Free

Source: Data Proccesed, 2024

Based on this table, the VIF value is less than 5 and the tolerance values is more than 0,05, so it can be concluded that the regression model for the work engagement, and job satisfaction variables does not have multicollinearity problems.

##### c. Heteroscedasticity Test



**Figure 1. Scatterplot Graphics**

Source: Data Proccesed, 2024

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Based on Figure 1. On the scatterplot graph of the dependent variable organizational commitment, it can be seen that the points on the scatterplot graph are spread in an unclear pattern above, below, to the right, and to the left of the number 0 at point Y. So, it can be concluded that the regression model is not heteroscedastic and is suitable for predicting each variable in the regression model.

### 3. Hypothesis Testing

#### a. Multiple Linear Regression Analysis

**Table 2. Multiple Linear Regression Analysis Results**

Model	Unstandardized Coefficients		Sig.
	B	Std. Error	
(Constant)	-9.439	2.970	.002
Work Engagement (X <sub>1</sub> )	.209	.078	.008
Job Satisfaction (X <sub>2</sub> )	.643	.057	.000

Source: Data Processed, 2024

Based on Table 2, the results of the multiple linear regression analysis show a regression equation with the following estimation model:

$$Y = -9.439 + 0.209X_1 + 0.643X_2 + \epsilon$$

The interpretation of the results of the equation is as follows:

- 1) The constant value obtained is -9.439, which means that when work engagement (X<sub>1</sub>), job satisfaction (X<sub>2</sub>) remains constant, and organizational commitment (Y) is negative.
- 2) Work engagement regression coefficient (X<sub>1</sub>) has a positive value of 0.209. This means that work engagement has a positive effect on organizational commitment. The higher the employee's work engagement, the higher the commitment to the organization.
- 3) The Job satisfaction regression coefficient (X<sub>2</sub>) has a positive value of 0.643. This means that job satisfaction has a positive effect on organizational commitment. The higher an employee's job satisfaction, the higher their commitment to the organization.

#### b. t-Test (Partial)

**Table 3. t-Test Result**

Model	T <sub>count</sub>	T <sub>table</sub>	Sig
Work Engagement (X <sub>1</sub> )	2,678	1,654	0,008
Job Satisfaction (X <sub>2</sub> )	11,257	1,654	0,000

Source: Data Processed, 2024

Based on Table 3. T-test result (partially) it can be concluded that:

- 1) Work engagement (X<sub>1</sub>) has a significance value of 0.008 > 0.05 with a t value<sub>count</sub> 2,678 > 1,654. This means that there is a significant influence of partial work engagement on organizational commitment.
- 2) Job satisfaction (X<sub>2</sub>) has a significant value of 0.000 > 0.05 with a t value<sub>count</sub> 11,257 > 1,654. This means that there is a significant influence of partial job satisfaction on organizational commitment.

#### c. F Test (Simultaneous)

**Table 4. F-Test Result**

F <sub>count</sub>	F <sub>table</sub>	Sig
103,917	3,05	0,000

Source: Data Processed, 2024

Based on Table 4. F test results (simultaneously), it is found that F<sub>count</sub> higher than F<sub>table</sub> with a significance level of  $\alpha = 0.05$  (103.917 > 3.05) with a significance value of 0.000 < 0.05. This means that there is a significant influence on work engagement (X<sub>1</sub>) and job satisfaction (X<sub>2</sub>) together (simultaneously) towards organizational commitment.

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## d. Coefficient of Determination ( $R^2$ )

Table 5. Coefficient of Determination

Model	R	R Square
Work Engagement ( $X_1$ ), Job Satisfaction ( $X_2$ )	0,754	0,568

Source: Data Processed, 2024

Based on Table 5, the R Square value is 0.568 or 56.8%. This shows that the percentage of contribution of the influence of work engagement and job satisfaction variables on organizational commitment is 56.8%, while the remaining 43.2% is explained by other variables not included in this research model. Such as personal factors (age and length of service, level of education, gender, and marital status), situational factors (workplace value, organizational justice, job characteristics, and organizational support), and position factors (organizational tenure and hierarchical job levels), (Yusuf & Syarif, 2017).

## Discussion

### 1. The Influence of Work Engagement on Organizational Commitment

Based on the data analysis results, work engagement has a positive and significant effect on organizational commitment. This shows that increasing the level of employees' work engagement results in increasing employee commitment to the organization.

Engagement employees feel connected to their work and the organization, so employees are motivated to make their best contribution. A sense of being valued and trusted through involvement in decision-making and work autonomy increases employees' trust and loyalty to the organization. The results of this research are supported by previous research (Ardiani & Fauzan, 2023; Harini et al., 2019; Sulsilowati & Azizah, 2020), which shows that work engagement has a positive and significant effect on organizational commitment.

### 2. The Influence of Job Satisfaction on Organizational Commitment

Based on the results of the data analysis, job satisfaction has a positive and significant effect on organizational commitment. This shows that increasing employee job satisfaction increases employee commitment to the organization.

Employees who are satisfied with their jobs have strong ties to the organization. This valuable work excites me, and I want to continue working there. This satisfaction shows that employees' needs and expectations are met, encouraging them to commit and contribute to achieving organizational goals. The results of this research are supported by previous research (Silvie et al., 2024; Dengo et al., 2023; Lathifani et al., 2023; Megawati et al., 2023; Marnoto & Delwatomoko, 2022), which shows that job satisfaction has a positive and significant effect on organizational commitment.

### 3. The Influence of Work Engagement and Job Satisfaction on Organizational Commitment

Based on the data analysis results, work engagement and job satisfaction positively and significantly affect organizational commitment. This shows that increasing employees' work engagement and job satisfaction increases employee commitment to the organization.

Employees who are engaged and satisfied with their work will be more loyal, committed, and motivated to contribute to the organization's success. This is because employees feel trusted and have autonomy in their work. Engaged and Satisfied employees also tend to be more proactive, innovative, and helpful to their coworkers. Thus, creating a work environment that supports job involvement and satisfaction is an important investment for organizations to increase employee commitment, ultimately impacting employee performance and achieving overall organizational goals. The results of this research are supported by previous research (Tanjung, 2020), which shows that work engagement and job satisfaction have a positive and significant effect on organizational commitment.

## IV. CONCLUSIONS

Research and hypothesis testing results show that work engagement partially has a positive and significant effect on organizational commitment, and job satisfaction partially has a positive and significant effect on organizational commitment. Work engagement and job satisfaction together (simultaneously) have a positive and significant impact on organizational commitment.

Several suggestions can be given as follows: 1) The company or a related agency, it is hoped that these results can be used as material for evaluation and consideration further to increase employees work engagement and job satisfaction in order to increase employees' organizational commitment; 2) For further research, it is hoped that this research can be used as recommendation in researching other factors that influence organizational commitment and can expand its scope. So that this research can be used as a comparison and complement to future research.

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