

# CHAPTER 1

## INTRODUCTION

### 1.1 Background

Human Resources play a very important role, because with professional/competitive employees, companies can carry out their activities to the fullest. Human resources are the main factor in the organization, because it is the engine of the organization in achieving the goals that have been set. The presence of employees is very important because it is a determining factor in the productivity of the company. Without employees, company goals will be difficult to achieve, and ultimately unable to survive in competition (Rismayanti, et al, 2018). In general, good and productive human resources are synonymous with their sense of security in the company. The sense of security can affect the employee's desire to maintain his job in a company and it is less likely for employees to change jobs from that company.

Turnover intention is an employee's desire to voluntarily resign from an organization or company or is considered as an employee's movement to resign from the organization. Employees' desire to change jobs can be caused by many factors, such as a less motivating leadership style, low organizational commitment and high discomfort at work (Kartono, 2017:44). High turnover can have a negative impact on organizations such as creating instability and uncertainty existing labor conditions and the high cost of managing human resources such as training costs that have been

carried out for employees up to recruitment and retraining costs (S . M . Oley and B . Tewel, 2023).

There are factors that can affect turnover intention, one of which is leadership. Leadership as the ability to influence a group towards achieving a predetermined vision or goal (Robbins & Judge, 2015: 249).

Apart from leadership, job stress can also affect turnover intention. Stress is a condition of tension that can affect emotions, thoughts and feelings of a person's physical condition (Siagian, 2014: 300). Meanwhile (Sanjaya, 2021) Job stress is defined as a response to physical or emotional harm that occurs when the demands of work are not the same as the abilities, resources or needs of employees. Job stress is a symptom that can arise from workers who can have an impact on job satisfaction and will affect the occurrence of turnover intention. The existence of a high workload makes employees easily experience Job Stresss, so that the psychological impact experienced by employees can manifest in negative behavior, including increased absenteeism and thoughts of leaving the company by (Prastyo and Andriani, 2022).

In addition to leadership and job stress, job satisfaction also influences the intention to change jobs. Job satisfaction is an attitude positive attitude towards work that occurs from evaluating one's characteristics. Employees with a high level of job satisfaction generate positive feelings with their work, while someone with a low level of satisfaction experiences negative feelings (Robbins, 2015: 327). If

employee satisfaction is high, then turnover intention is low and vice versa employees with low job satisfaction will have a high impact on turnover intention (Nurfitriani and Hidayanti, 2023).

PT Duwa Atmimuda Kudus, the company PT Duwa Atmimuda Kudus is engaged in machining / manufacturing services which is a company located at Jl. Jambean No.21, Kudus Regency. Initially PT Duwa Atmimuda was a supplier to PT. Hartono Istana Teknologi for the supply of electronic components, but with its current developments the company is widening its market share to become a supplier to companies located in Central Java, the Special Region of Yogyakarta and the East Java region. Due to the increasing market demand, the company began to become a supplier of electrical components while maintaining electronic component products. But amid the existence of PT. Duwa Atmimuda Kudus, there are several problems, one of which is the problem of employee turnover intention. The following is the number of employee exit data at PT Duwa Atmimuda Kudus as follows:

**Table 1.1**  
**Total of Employees Exit PT. Duwa Atmimuda Kudus**

No	Years	Employee Exit
1	2020	1
2	2021	4
3	2022	9
	Total	14

Source : HRD PT. Duwa Atmimuda Kudus

Based on table 1.1 above, it can be seen that the amount of employee data leaving over the last 3 years has increased. This shows the problem of internal

turnover at PT. Duwa Atmimuda.

The problem of turnover intention can also be seen from the leadership in the company. The following is the leadership data at PT. Duwa Atmimuda presented in table 1.2

**Table 1.2**  
**Leadership Implementation Data**  
**PT Duwa Atmimuda**

No	Leadership Indicator	Employee Appraisal Percentage	Explanation
1	Ability to make decisions	79	Enough
2	Ability to motivate	78	Enough
3	Ability to communicate	78	Enough
4	Develop the quality of subordinates	78	Enough
5	Firmness in making decisions	78	Enough

Source: PT Duwa Atmimuda 2022

Presentase	Qualification
90-100	Very good
80-89	Good
70-79	Enough
60-69	Not Enough
59-kebawah	Bad

Source: PT Duwa Atmimuda 2022

Based on table 1.2, it can be concluded that from the 5 leadership indicators above, the results of all 5 indicators have sufficient qualifications. This shows that leadership has not been maximized.

In addition to leadership, job stress can affect turnover intention. The existence of job stress at PT Duwa Atmimuda is caused by several factors, one of which is the high level of demand for orders. The company's many production

targets require employees in the production department to work hard every day. The following is a comparison of targets and realization of PT. Duwa Atmimuda Kudus described in table 1.3 is as follows:

**Table 1.3**  
**Target Data and Realization of Production Results (units)**  
**PT. Duwa Atmimuda Kudus**

Years	Target Production Per Years (Unit)	Total Production Per Years (Unit)
2020	2.280	2.230
2021	2.280	2.217
2022	2.160	1.890

Source : PT. Duwa Atmimuda Kudus 2022

Based on table 1.3 it can be seen that in 2020 the production target was 2,280 units and this target was not achieved, in 2021 the same target was 2,280 units and was not achieved, in 2022 the production target was lowered due to a lack of production personnel so that it was reduced to 2,160 units and not achieved. This indicates a high workload and causes job Stress.

Employee job satisfaction also influences high internal turnover. The following data on employee incentives that cause a decrease in employee job satisfaction can be seen in table 1.4 as follows:

**Tabel 1.4**  
**Employee Overtime Pay Incentive**  
**PT. Duwa Atmimuda**

Years	Payroll		Overtime/Hour Wages	
	Staff	Production Department	Staff	Production Department
2021	Rp. 2.290.000 – Rp. 3.200.000	Rp. 2.290.000 – Rp. 2.800.000	Rp. 12.000 –Rp. 17.500	Rp. 9000
2022	Rp. 2.293.000 – Rp. 3.500.000	Rp. 2.293.000 – Rp. 3.000.000	Rp. 12.000 –Rp. 20.000	Rp. 9000

Source : PT. Duwa Atmimuda Kudus 2022

From table 1.4 above, it can be explained that the basic salary of employees of PT Duwa Atmimuda in the last 2 years has increased both for the staff and the production department, but for overtime pay only the staff has increased while for the production part the overtime pay given has not increased. This results in social jealousy and results in a lack of employee satisfaction at work so that the internal turnover rate increases.

Research gaps in this study include (Pratama et al, 2022) based on the results of the study stating that leadership has a significant positive effect on job satisfaction. Different results were found by researchers (Alfattama, 2021) in their research stating that leadership has no effect on job satisfaction.

Research conducted by (Rauan, 2019) based on the results of his research states that job stress has a positive and significant effect on job satisfaction. In contrast to the results of research conducted by (Sanjaya, 2021) stating that job stress has a negative but significant effect on job satisfaction.

Research conducted by (Rambi et al, 2020) based on the results of the study states that leadership has a positive and significant effect on turnover intention. This is different from the results of research by (Yelfira and Soeling 2021) in his research which argues that leadership has no positive and insignificant effect on turnover intention.

Research conducted by (Prastyo and Andriani, 2022) based on research that has been conducted states that job stress has a positive and significant effect on turnover intention. Meanwhile, the results of a different study conducted by (Kurniawati et al, 2018) found the opposite result, where job stress had no effect on turnover intention.

The research conducted (Rostandi and Senen, 2021) based on the results of his research states that job satisfaction has a positive and significant effect on turnover intention. Different results were found by (Gde Bayu Surya Pawita et al, 2019) stating that job satisfaction has a negative but significant effect on turnover intention.

Based on background information, the differences in the results of previous studies that have been described previously and the conditions that occur in the companies at PT. Duwa Atmimuda Kudus, the researcher is interested in taking the research title "The Effect Of Leadership And Job Stress On Turnover Intention With Job Satisfaction As A Variable Intervening At PT. Duwa Atmimuda Kudus".

## 1.2 Research Scope

The problems discussed in this study so as not to expand, it is necessary to make a problem definition. As for the scope of the problems to be discussed in this study as follows:

1. The exogenous variables in this study are Leadership and Job Stress.
2. The endogenous variable in this study is Turnover Intention.
3. The intervening variable in this study is job satisfaction.
4. The object of this research is PT Duwa Atmimuda Kudus.
5. The research period is carried out for 2 months after the proposal is approved.

## 1.3 Problem Formulation

Based on the description of the background of the problems above, the formulation of the problem in this study is that there is an increase in turnover intention, namely the number of data on employees leaving over the past 2 years has increased. The problem of leadership is that there are 5 leadership indicators only indicators of ability to communicate, indicators of ability to make decisions, develop the quality of subordinates, firmness in making decisions and indicators of ability to motivate have sufficient qualifications. The problem of job stress is that the high workload makes employees stressed and the lack of production personnel so that employees are unable to meet targets. The problem of job satisfaction, namely the difference in overtime pay, causes social jealousy where there is no increase in overtime pay for the production department so that employee job



satisfaction decreases. Based on the formulation of the problem, the research questions are as follows:

1. What is the influence of leadership on job satisfaction at PT. Duwa Atmimuda Kudus?
2. What is the effect of job stress on job satisfaction at PT. Duwa Atmimuda Kudus?
3. What is the influence of leadership on turnover intention at PT. Duwa Atmimuda Kudus?
4. What is the effect of stress on turnover intention at PT. Duwa Atmimuda Kudus?
5. What is the effect of job satisfaction on turnover intention at PT. Duwa Atmimuda Kudus?

#### **1.4 Research Purpose**

From this study, the authors aim to:

1. Analyzing the effect of leadership on job satisfaction at PT. Duwa Atmimuda Kudus.
2. Analyze the effect of job stress on job satisfaction at PT. Duwa Atmimuda Kudus.
3. Analyze the effect of leadership on turnover intention at PT. Duwa Atmimuda Kudus.
4. Analyze the effect of job stress on turnover intention at PT. Duwa Atmimuda Kudus.
5. Analyze the effect of job satisfaction on turnover intention at PT.

Duwa Atmimuda Kudus.

### **1.5 Research Benefits**

The benefits of this research are:

a. Theoretical benefits

This research is expected to be a source of reference for further research on leadership, job stress, job satisfaction and employee turnover intention.

b. Practical benefits

The research results obtained can provide input and consideration for companies in reducing employee turnover intention and can also pay attention to factors from leadership, and job stress through job satisfaction as intervening variables.