Job Insecurity As Moderating Employee Engagement Toward Intention To Quit At Governer Bank In Bandung City

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ABSTRACT: The purpose of this research was to demonstrate the importance of employee engagement and its relationship to employee intent to quit which moderated by job insecurity on employees frontline state bank in Bandung City Indonesia. The method used is explanatory survey method that this study took a sample of the population with a questionnaire and interview techniques as the primary means of data collection. The subjects of the study were also as the unit of analysis in this study is the frontline employees (teller and customer service) that serve the general customers, where the position is vulnerable to employee turnover, whereas they are the spearhead or the forefront (frontline) that connects to the customer's bank (the customer). A randomly selected sample of 4 bank was used in this study. A total of 270 respondents participated. Data were analyzed using Smart PLS 2.0. The linear regression analysis indicated there was a significant, strong, and negative linear relationship between employee engagement level and employee intent to quit rate. The results of this research promote employee engagement is a significant negative effect amounted 41.42% of the intention to quit, while the variable job insecurity is not proven significantly. The conclusion from this study is that the employee engagement give significant influence on the intention to quit and variable job insecurity is not a variable moderation.

KEYWORDS: Bandung, Banking Sector, Engagement, Frontliner, Intention To Quit, Job Insecurity.

1. INTRODUCTION

1.1. Background

Intention to quit either completely quit would also change job is a major concern for companies because when employees do not mind in the organization, concentration and motivation will be lost and this would reduce the productivity and efficiency of the organization. Many things that cause employees intend to get out of the workplace, such as: feelings of employees who feel that the organization is no longer able to meet their needs. They show indications of declining productivity levels will have an impact on the disruption of corporate activity, such as increased absenteeism, less excited and led to a decline in performance, whereas high employee performance have. A positive impact in achieving the goals of the organization (company), as it reflects the productivity of the organization which reflects the ability of employees to achieve the objectives as planned (Nusair, 2013). Another effect is likely to cause problems morale of the other employees that bandwagon have no intention to leave the company. HR managers should be able to suppress the employees intention to quit or leave from company by creating conditions that may encourage employees to feel at home and want to remain in the organization. Some research reveals that employees are engaged make employees are emotionally tied to their organization, and will become more passionate with his work (Balakrishnan, 2013). According Gallup (2005) “employee are dedicated to their role, will stay in the organisation for a long time, more productive, give better customer service and in turn create greater profit...” Increasing employee engagement will encourage them to higher performance, as said Crim and Seijts (2006) that employee engagement is “a person who is fully involved in, and enthusiastic about his or her work.

Engaged employees care about the future of the company and are willing to invest the discretionary effort to see that the organization succeeds”. Have employees who fully engagement is very advantageous for the company, because they will stay longer in the organization and productive indefinitely so that the company can avoid the high turnover. However, organizations should be aware that different engagement with the commitment, as said by Thomas Britt, a professor of industrial psychology at Clemson University, says that “a worker can be engaged but not committed”. employee engagement is a person who invests herself in superior job performance, while employees who committed are a psychological attachment to a worker in the organization. Although very productive, they might be more susceptible to the frustration of negative factors at work, such as budget cuts, inadequate supplies and equipment, there is no reward for being successful, and a salary that does not match the performance. They become frustrated and likely want or intend to quit or leave of their company to seek opportunities in other companies (http://stephenjgill.typepad.com/). Intention to quit many suffered employees in the banking sector Bandung, which currently has assets of Conventional Bank reached Rp 156.77 trillion. With the number of banks to 47 banks (http://www.tempo.co/ read/news/ 2013) including the State Bank. The growth of the banking industry in the city is due to the assumption that Bandung is a city that has potential in the field of creative industries, businesses culinary, fashion, crafts, and education, in addition to being a tourist destination both natural attractions and cultural tourism are supported by strong interest the tourists to visit the city of Bandung both local or foreign. The growing of bank in Bandung had an impact on increasing competition. Banks are constantly striving to improve service to they customers, which is become the spearhead are frontline employees, which is precisely that generally often feel the intent to quit. This is due to lack of attention to the bank, but their presence is very important as a link between companies and customers and also as a source of information for customers and prospective customers. They also charged a target in selling bank products, recruit new customer or

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account opening are widely between 50 - 100. The realization of the intentions of the exit is the turnover, and turnover of employees of banks in Indonesia reached 20% a year (http://economy.okezone.com/read/2013/; Awaldi, 2014). So far the data bank employee turnover in Bandung can not be found, but the results of interviews with frontline employees at some bank in Bandung, such as: PT. BJB, Bank Sinar Mas, Bukopin, BNI and BCA can be estimated that there are at least two of their friends have done resign (resignation) this year, while new bank intends to get out of where they work at least 4 people and some of them are self their own, and according to them this condition is almost the case also in several branch offices and other branches. The number of employees who outgoing and who intend to quit showing that the bank employee engagement index is low. This is demonstrated by the low engagement services to customers who do not whole heartedly and soul, they will only serve merely transactional only with smiles and hospitality that seem insincere. Another impact is the decline in their performance shown by their frequent cut salaries because of the differences between records of transactions that occurred with the evidence received. From observations and interviews with several employees frontline bank in Bandung can be seen that the level of absenteeism and late coming to work is quite high, namely 6 and 8 times in every month, often complain when doing work outside the duties or when facing customer complaints, less enthusiastic about the job and the willingness to work overtime was due to the incentive overtime instead of having to finish the job. Demands engagement to the frontline employees will be difficult given the status of their work is generally contracts or workers with Work Agreement Specific Time. Workers with contract status has no guarantee to be able to work continuously in the organization, because when the contract is completed then finished on the relation of the workers with organsiasi. Although there is a possibility that the contract period is extended, but that is only 1 or 2 times extension. Contract status on frontline employees have sparked job insecurity, which is a general fear of the sustainability of their work at the bank where they worked. The emergence of job insecurity on the frontline employees will certainly reinforce the lack of engagement of employees frontline against the bank where they worked.

1.2. Problem
Based on the background, the research problems can be formulated as follows:
1. How does the influence frontline employee engagement toward the intention to quit the government bank in Bandung.
2. How does influence employee engagement frontline toward the intention to quit the government bank in the city of Bandung after moderated job insecurity.

1.3. Purposes
based on the research problem, the purpose of this study was to explore and examine and analyze the following things:
1. Effect of employee engagement frontline against the intention to quit the government bank in Bandung.
2. Effect of employee engagement frontline against the intention to quit the government bank in the city of Bandung after the affected job insecurity.

2. LITERATURE REVIEW

2.1. Literature review

2.1.1. Employee Engagement
Until now there is no generally accepted definition of employee engagement, as stated by Markos and Sridevi (2010), “To date, there is no generally accepted definition for employee engagement. However, there is growing consensus among the authors that the construct is distinguishable from related concepts in management such as employee commitment, organizational citizenship behaviour and job satisfaction in such a manner that employee engagement clearly reflects the two-way exchange of effort between employees and employers, and it has stretched meaning beyond the aforementioned constructs”. But according to them, construct employee engagement is distinguished from the concept of commitment, OCB and satisfaction, employee engagement reflects efforts where two-way exchange between the employee and the employer, of some of the definitions expressed by researchers such as Markos and Sridevi (2010); Sejts and Crim (2006); Lockwood (2007); Wegner (2011); Robinson et al. (2004); Gallup organization (2004); and Robin (2012) can be made a construct, that the attachment of employee engagement is a “positive attitude that employees have to work, which is reflected in the enthusiasm, satisfaction and fully engaged with their work, they feel as an integral part of the organization in achieving its mission, which makes them willing to work harder with colleagues and give discretionary effort (exceeding standards) in helping achieve the goals of the organization “.

2.1.2. Intention To Quit
Intention can be interpreted as an the purpose arising from oneself towards something. When someone has the intention then it is likely he will do so. Khan (2013), referring to the earlier researchers explained that the intention is the most direct determinant of actual behavior. Therefore intention to quit is defined as the forerunner (embrió) to a complete stop from a particular job. Correspondingly Makhbul, et al (2011) also explains that the intention is to stop the manifestation of actual turnover. Some researchers like Balogun, et al (2013), Windya (2013), Schalkwyk et al. (2010), Mxenge, et al. (2014) found intention to quit is the intent of the employee to quit his job either completely stopped or even moved to another company in the near future due to individual factors like any organization.

2.1.3. Job Insecurity
Job insecurity is a concern over the safety of employees in continuing their work in the company, these conditions will have an impact or influence the level of job satisfaction, organizational commitment, and trust in the organization. Further impacts are employees will seek other employment alternatives outside the company. However, the actual definition of job insecurity is defined
differently by each researcher, as presented by Banu. et al. (2012) which explains that job insecurity is defined by researchers in different ways, but in essence the perception of job insecurity is a “subjective” experienced directly by employees. Banu et al. (2012) and Bosman (2005) classifies job insecurity in perspective “subjective” and “objective”, while Adenugba, et al. (2012), subsume job insecurity perspective that is “global” and “multidimensional”, whereas Peene (2009) classifies job insecurity in perspective “quantitative” and “qualitative”. But in essence they are defined job insecurity as feeling worried about the threat of losing jobs now, and helplessness in maintaining the employment. So therefore developed a construct that job insecurity (job insecurity) is a good feeling based on subjektif or on kekhawatirian against the threat of losing jobs now, and helplessness in maintaining the employment.

2.2. Framework
Every company including Banks wants their employees to have a high performance, because the performance of employees as reflects the productivity of the company that reflects the employee’s ability to achieve the objectives as planned, however, seems to be difficult when employees wish or intend to quit or get out of the company. Intention to quit or intention to leave or employee turnover intention is intent to quit or get out of the company caused by factors individuals and organizations in which they work. The phenomenon of intention to quit often experienced by employees of the bank employees, especially frontline. This is demonstrated by the high level of turnover in the banking sector. Turnover is a manifestation of intention to quit / intention to leave / turnover intention. Intention to quit this bad for the company, because employees who have the intention quit a could have negative impact on productivity and employee performance. Some researchers say that having employees that engagement is a tremendous advantage for the company, because engagement employees will stay longer in the organization. Employees engagement always be positive, as reflected in the enthusiasm, satisfaction and fully engaged with their work, they feel as an integral part of the organization in achieving its mission, which makes them willing to work harder with colleagues and give discretionary effort (exceeding standards) in helping achieve organizational goals. Having employees engagement can increase the company’s efforts in retaining employees, especially potential employees. Some literature and studies reveal employee engagement can reduce employee intent to quit, can further reduce the level of turnover. Potential employees are engaged to be loyal to the company so they choose to remain in the organization on the basis of their confidence in the organization within the maximum time. The existence of potential employees in the organization will have an impact on the company’s performance as reflected by the performance of employees. However, this level of engagement could be decreased when employees feel that their job or position in the organization is threatened, or in other words they do not secure jobs (job insecurity). Employees who feel that job insecurity will try to find another job elsewhere that is felt more secure. This means that attachment and commitment will certainly go down or even disappear when employees feel threatened. Frontline bank employees wants to be continue in the bank where they worked, worked diligently and earnestly, but in fact they are generally only contract status and the possibility to become permanent employees is quite small. This contract status creates uncertainty on the sustainability of their work, whether the contract is extended or not? This uncertainty encourages the emergence of insecurity in their jobs. The problems it interesting to study given that intent quit can interfere with the performance of employees. Intention of stopping can be reduced through employee engagement, but the advent of job insecurity is likely to reduce the level of employee engagement. Based on the framework above, this research paradigm can be described described as shown below.

![Diagram](Image)

2.3. Hypotheses
Based on the above framework, the research hypothesis can be formulated as follows:
1) Employee engagement negatively affect the intention to quit at the frontline employees of government banks in Bandung.
2) The effect of reduced employee engagement against the intention to quit at the frontline employees of state banks in the city of Bandung after moderated job insecurity.

3. RESEARCH METHODS
3.1. Methods
This type of research is verification because this research aims to explore and analyze the variables employee engagement, job insecurity, and intention to quit. Employee engagement Variable is a predictor variables (independent), while ob insecurity is moderators variable can streng then or weaken the predictor variable, while the dependent variable, namely the intention to quit on a number of government bank in Bandung. The method used is explanatory survey method that this study took a sample of the population with a questionnaire and interview techniques as the primary means of data collection. The subjects of the study were also as the unit of analysis in this study is the frontline employees (teller and customer service) that serve the general customers, where the position is vulnerable to employee turnover, whereas they are the spearhead or the forefront (frontline) that connects to the customer’s bank (the customer ).
3.2. Operationalization Of Variables
To explain the variables used in this research, these three variables are tabulated in Table Operationalization of research variables such as table 1.

<table>
<thead>
<tr>
<th>Variable / Concept</th>
<th>Dimensions</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Engagement (X)</td>
<td>A positive attitude toward work, job satisfaction, work environment, work hard, working reported, restructuring effect</td>
<td></td>
</tr>
<tr>
<td>Job Security (M)</td>
<td>Training, experience, education, employment opportunity, company policy, environmental change</td>
<td></td>
</tr>
<tr>
<td>Intention To Quit (Y)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3.3. Source And Determine Data
The data required in this research consisted of primary data and secondary data. The subjects of this study were employees of the frontline (teller and customer service) at the government banks working in the branch office (KC) and Branch Office (KCP) in Bandung. The total number of employees working at the front liners KC KCP Bank and the government of Bandung, Bank Mandiri PT Persero Tbk amounted to 238 employees, Bank Negara Indonesia PT Persero Tbk 300 employees, 82 employees of the State Savings Bank and Bank Rakyat Indonesia 182 employees, thus the number of bank employees government in the city of Bandung is 802 employees. To determine the number of samples used is determined by using purposive sampling using Slovin formula:

\[ n = \frac{N}{1 + N(e)^2} \]

With a 95% degree of confidence, then obtained a minimum sample size of \( n = 802 / (1 + 802 (5\%)^2) \) or \( n = 266.89 \). Thus, the required minimum sample in this study were 267 frontline employees.

3.4. Data Collection Technique
The data used to address problems that have been formulated obtained using techniques Studies Library (Library Research) and Field Studies (Field Research) as well as observations on the companies concerned, by means of interviews, observations and questionnaires.

3.5. Design of Analysis and Testing Hypotheses
The primary data used in this study need to be tested validity and reliability because the data is derived from the respondents that may lead to bias. The method of analysis used to answer the problems that have been formulated in this study. As noted earlier that this kind of research is verification, so the design of this study is verification with the aim of presenting a picture in a structured, factual and accurate and empirically test the hypothesis by using statistical analysis tools, namely PLS (Partial Least Square) by using software SmartPLS version 2.0.

4. DISCUSSION
4.1. Validity and Reliability
An indicator declared invalid if it has loading factor above 0.5 to construct the destination. Output SmartPLS for loading factor below 0.5 results for several indicators of questions. Invalid indicators are removed from the model, so that the number of indicators which was originally 53 to 24 are valid. Another method to see the discriminant validity is to look at the value of the square root of average variance extracted (AVE). Recommended value is above 0.5. Here is the value AVE in this study:

<table>
<thead>
<tr>
<th>Variable</th>
<th>AVE</th>
</tr>
</thead>
</table>
| ENG      | 0.52554 |}
| ENG*JIS  | 0.558505 |}
| ITQ      | 0.514825 |}
| JIS      | 0.547808 |}

While the reliability test is done by looking at the value of composite reliability of the block indicator that measures the construct. Composite reliability results will indicate if a satisfactory score above 0.7. Here are the composite reliability values at the output:

<table>
<thead>
<tr>
<th>Variable</th>
<th>Composite Reliability</th>
<th>Cronbach’s Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>ENG</td>
<td>0.914520</td>
<td>0.799389</td>
</tr>
<tr>
<td>ENG*JIS</td>
<td>0.986725</td>
<td>0.800282</td>
</tr>
<tr>
<td>ITQ</td>
<td>0.892041</td>
<td>0.840852</td>
</tr>
<tr>
<td>JIS</td>
<td>0.870724</td>
<td>0.818753</td>
</tr>
</tbody>
</table>

The table shows that the composite reliability values for all constructs are above 0.7 indicating that all construct at the model that meets the criteria of discriminant validity estimated. Composite reliability of the lowest value is equal to 0.877024 at the construct of JIS (Jobinsecurity). Reliability test can also be strengthened by Cronbach’s Alpha, communality values at the all CONSTRUCTS above 0.5 which reinforces the results of testing with Composite Reliability and Cronbach’s Alpha. Furthermore, the value of ITQ Redundancy is equal to 0.403786 which includes high. Recommended value is above 0.6 and at the above table shows that the value of Cronbach’s Alpha for all CONSTRUCTS be above 0.6. The lowest value is equal to 0.799389 (Eng / Engagement).
Coefficient parameter lines derived from the relationship between the variables engagement with intention to quit amounted to -0.414 with T-statistic values 3.0254> 1.65 at significance level $\alpha = 0.1$ which states that there is a significant relationship between engagement with the intention to quit. Negative values on parameter coefficient means that the higher the level of engagement, the desire to exit / move (intention to quit) will decrease. Coefficient parameter lines derived from the relationship between the variables Job insecurity and intention to quit obtained at 0.791538 to the value of the T-statistic 5.109037> 1.64 at significance level $\alpha = 0.1$ which states that there is a significant positive effect. meaning that the higher the higher the job insecurity desire to exit / moving work (intention to quit). Based on the table it can be seen that the value of Tstatistics obtained in the variable Moderation (engagement * Jobinsecurity) amounted to 0.776718 <1.65, at significance level $\alpha = 0.1$ which means that the variable was not statistically significant moderation. Once the model is estimated meets the criteria Outer Model, subsequent testing of structural models (Inner model). Here is the value of R-Square at the construct:

<table>
<thead>
<tr>
<th>Table 5</th>
<th>R Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engage</td>
<td></td>
</tr>
<tr>
<td>Engage * JIS</td>
<td></td>
</tr>
<tr>
<td>ITQ</td>
<td>0.732886</td>
</tr>
<tr>
<td>JIS</td>
<td></td>
</tr>
</tbody>
</table>

The table above gives the value of 0.732886 to construct ITQ (intention to quit), which means at the ITQ is affected by the disengagement (engagement), JIS (job insecurity) and moderation (JIS * engage) in the amount of 73.7027%.

**V. CONCLUSION**

1. Analysis of structural equation model at the the case of latent variables influence engagement toward the intention to quit frontline employees of state banks in Bandung is obtained as follows:
   a. There is a negative influence between the engagement of the intention to quit amounted to 41.42%.
   b. There is a positive influence between job insecurity to the intention to quit amounted to 79.15%.
2. Analysis of structural equation model with moderation Infrastructure in the case of latent Job insecurity as a moderating influence engagement toward intention to quit, is that the variable job insecurity not as a moderator variable.

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