Influence of Commitment to Organization, Career Development, Performance Appraisal, and Job Satisfaction towards Turnover Intention of Star-Rating Hotel Employees in Malang

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Abstract

The study aims to determine effect of commitment to organization, career development and performance appraisal towards turnover intention through job satisfaction. The respondents were 200 employees of star-rating hotels in Malang. The variables are evaluated using 5-point Likert score; there are some statements the subjects have to respond to and their responses about the statements varies from strongly disagree to strongly agree. The structure of relationships between variables is analyzed using SEM measured using AMOS 20. Most of the respondents graduated from a three-year diploma program, are between 20-30 years old and has been working in the hotel for 1-8 years. Modeling results explain that commitment to organization, career development and performance appraisal have direct effect towards job satisfaction, especially from career development. Organizational commitment, career development and performance appraisal have indirect effect towards an employee's turnover intention through job satisfaction.

Keywords: commitment to organization; career development; performance appraisal; job satisfaction.

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1. Introduction

Indonesia is the most innovative country in developing its creative economy sector and as the effect creative economy has 11% contributions to the 2014 national economics. There are 14 (fourteen) aspects of national economics categorized as creative economy [1]. Creative economy domain consists of movies–video–and photography, television and radio, advertising, publishing and printing, music, performing art, art work, culinary, handicraft, fashion, architecture, design, information technology, interactive games and R & D [2]. Creative economy is closely related to tourism [3]. Therefore, to get significant impact, creative economy and tourism should be maintained and developed simultaneously. One element to support tourism industry is hospitality [4]. Hotel is considered as main tourism superstructures [5]. Based on the previous elaboration, it can be concluded that hotel is the major infrastructure of tourism. Furthermore, there is a strong relationship between creative economy and tourism. In conclusion, hotel or hospitality industry has significant role to support development of creative economy. Potential of creative economy in Malang at the end of 2013 is supported by 50 (fifty) hotels located in the city, starting from motels to 3-star hotels. In 2015 competition among 3-star hotels is getting tighter as the opening of 2 (two) 3-star hotels namely Maxone Hotel and The Balava Hotel [6]. In addition, guest houses start to grow rapidly in Malang. Currently, there are lodging houses that allow guests to stay there and pay based on number of days of occupancy. There are some competitions, both direct and indirect ones, among star-hotels, guest houses and lodging houses in terms of business and other aspects such as human resources. Each of them has its own policy and can easily be acknowledged by its competitors (employees). It will influence various aspects of human resources such as job satisfaction and may become consideration/ reason for one's resignation.

2. Literature Review

2.1   Definition of Commitment to Organization

Commitment to organization is behavior that reflects to what extent an individual know and be involved to his/her organization; it consists of 3 (three) dimensions namely affective, continuous and normative commitments [7].

2.2   Definition of Career Development

Career development is any process and activities of employee affairs that helps employees planning their career in an organization so that both the employees and organization can develop themselves to maximum extent. In conclusion, career development requires participation from both organization and employees [8].

2.3   Definition of Performance Appraisal

Performance appraisal means formal analysis and evaluation towards individual or team work in the present and/ or in the past toward standard of achievement [9]. There are four aspects to evaluate namely job implementation, attitude of employees, quantitative and qualitative results [10].

2.4 Definition of Job Satisfaction

Job satisfaction as assessment towards one's ability to achieve or finish task that he/she considers important which at the same time represents one's affective reaction from a type job and attitude towards job [11]. Job satisfaction is subjective in nature [12]. Each individual has different level of job satisfaction based system of value the individual has. Job satisfaction is positive or negative state of emotions employees use to perceive their job [13]. Conceptually, job satisfaction is whether or not an employee assumes his/her job as satisfying or not satisfying or rewarding or not rewarding. Concept of job satisfaction can be transformed into more operational elements namely (a) salary; (b) type of work; (c) supportive atmosphere; (d) supervisor; (e) colleagues [12].

2.5 Turnover Intention

Turnover is flow of employees who enter and resigns from a company [14]. Turnover intentions as reflection of one's intention to leave his/her work and find another job [15]. Turnover takes place when employees resign from his/her work or find other job voluntarily or involuntarily and the employees accept some amount of compensation. There are a number of factors that influence turnover intention; one of them is job satisfaction. Job satisfaction will be achieved when employees find their job satisfying/ rewarding [16]. Conceptually, intention to leave refers to individual intention or wish of an employee to leave his/her former job to find another job. Operationally, the concept can be evaluated based on how much intention employee has to resign from his/her former job.

2.6 Influence of Commitment to Organization, Performance Appraisal, Career Development and Job Satisfaction towards Turnover Intention

Commitment to organization has negative influence towards turnover intention. When commitment to organization increases, the result turnover intention decreases [17]. Career development does not have significant influence towards turnover intention. Performance appraisal has negative influence towards turnover intention [18]. Job satisfaction influences turnover intention in their studies. Similar to compensation, job satisfaction also has negative influence [14].

3. Methodology

The study is conducted in Malang in which employees of three-star, four-star and five-star hotels become the population. The numbers of samples are 200 respondents selected using proportional random sampling. Commitment to organization, career development and performance appraisal are the exogenous variables while job satisfaction and intention to leave (turnover intention) are the endogenous variables.

The variables are measured using questionnaires that employ 5-point Likert scale. Data analysis using Structural Equation Modeling (SEM) measured using AMOS 20.

Since hypothesis-testing is one of the processes of the study, scale of measurement to measure the variables is

needed. The scale of measurement is 5-point Likert scale. Table 1 describes types and sources of data in the study.

Table 1: Data and Source of Data

Data	Data Item	Source of Data	Data Collection Method
Primary Data	Respondents' Profiles or Characteristics	Respondents/ Samples of the Study	Distributing questionnaire to the samples (survey)
	Indicators of the Study		
Secondary Data	General Description of Star-Rating Hotels in Malang	Department of Tourism in Malang	Documentation
	Data of Star-Rating Hotel Employees in Malang		Documentation and observation

Table 2 describes variables used in the study categorized based on the hypotheses; they are as follow:

Table 2: Variable Category

Variable	
Exogenous	**Endogenous**
Commitment to Organization (X1)	Job Satisfaction (Y1)
Career Development (X2)	Intent to Leave (Y2)
Performance Appraisal (X3)	

Furthermore, based on the type, the variables are categorized as latent variables. As the consequence some indicators should be formulated to define the variables (Ferdinand, 2006). Table 3 presents the operational variables used in the study; they are as follow:

Technique of data analysis used is SEM with AMOS 20 application. SEM model is stastical method that use hypothesis-testing approach or is well-known as confirmatory that contains 2 (two) pivotal aspects, analyzed process and structural relation of equation.

Analyzed process is presented in the form of structural equation (regression) and structural relation of the equations which can be developed as model visually. Principle of SEM is integrated approach between analysis factor, structural model and line analysis.

a.   Theoretical-based Conceptualization

During the stage, researcher reviews related literatures to give justification that problem of the study and relationship between exogenous and endogenous variables have been supported by valid theories.

Table 3: Operational Variables

VARIABLE	INDICATORS	ITEMS
Commitment to Organization	a. Affective Commitment	– Experience in organization is consistent to one's expectation and satisfies one's basic need – Has strong willingness to keep working for organization because both employee and organization share similar ideas – Has strong willingness to keep working for organization because of individual intention
	b. Continuous Commitment	– Risks of having a new job are to loose seniority, promotion and other benefits – Having a new job eliminates all contributions one has given to organization – When someone has a new job, he/she is unable to give any contribution anymore
	c. Normative Commitment	– Employees feel sort of settlement in organization – Employees feel keep working in the organization as the right decision
Career Development	a. Increasing Ability	– Formal education to increase knowledge and skills needed to fulfill one's task – Training to improve knowledge, skills and attitude needed to fulfill one's task – Job evaluation – Working experience
	b. Competitive behavior and attitude of an employee at work	– Have and keep improving his/her skill to increase his/her quality of work and life. – Have and keep improving his/her skill to determine his/her quality of work and life. – Have and keep improving his/her working attitude to determine his/her quality of work and life.
	c. Support from Company	– Provide feedback towards performance by increasing performance of the employees to fill vacant positions/ career. – Provide feedback in the form of facilities to support his/ her work

b.   Measurement Model Development

Based on the concept of relationship among variables described previously, the model of measurement is

developed. Figure 1 describes causal relationship in development of the measurement model.

Table 3: Operational Variables (continued)

VARIABLE	INDICATORS	ITEMS
Performance Appraisal	a. Job Implementation	– Knowledge about work – Ability for planning – Knowledge about standardized quality of work and technical knowledge about the job
	b. Employee's Attitude	– Independence – Communication skills – Leadership – Motivation
	c. Quantitative Result of Work	– Time needed to finish a task. – Number of errors while finishing the task – Number and type of service at work
	d. Qualitative Result of Work	– Accuracy and quality of work – Ability to analyze data and information – Ability/ failure to use machinery/ equipments – Ability to evaluate
Job Satisfaction	a. Job	– Match between ability and responsibility – Interesting work
	b. Working Condition	– Pleasant job atmosphere – Adequate facilities at work
	c. Supervisors	– Support from supervisors – Participative climate created by supervisor
	d. Colleague	– Supportive colleagues – Harmonious relationship among co-workers
Turnover Intention	a. Intention to Resign	– Think about resignation when possible frequently
	b. Looking for alternative job	– Looking for a new job outside the company actively
	c.Planning to Resign	– Having a plan to resign in a short time
	d. Applying for Another Job	– Applying for another job in another company

c.   Conversion into Structural Model (Statistical Equation)

During the conversion, the researcher starts to change the model specification into structural equation model; the structural equation model is as follow:

$$\eta_1 = \gamma_1\xi_1 + \gamma_2\xi_2 + \gamma_3\xi_3 + \zeta_1 \qquad\qquad \eta_2 = \gamma_4\xi_1 + \gamma_5\xi_2 + \gamma_6\xi_2 + \beta_1\eta_1 + \zeta_2$$

Equation models of the exogenous variables are as follow:

$$X_{11} = \lambda_1\xi_1 + \delta_1 \qquad X_{12} = \lambda_2\xi_1 + \delta_2 \qquad X_{13} = \lambda_3\xi_1 + \delta_3 \qquad X_{21} = \lambda_4\xi_2 + \delta_4$$

$$X_{22} = \lambda_5\xi_2 + \delta_5 \qquad X_{23} = \lambda_6\xi_2 + \delta_6 \qquad X_{31} = \lambda_7\xi_3 + \delta_7 \qquad X_{32} = \lambda_8\xi_3 + \delta_8$$

$$X_{33} = \lambda_9\xi_3 + \delta_9 \qquad X_{34} = \lambda_{10}\xi_3 + \delta_{10}$$

Equation models of the endogenous variables are as follow:

$$Y_{11} = \lambda_8\eta_1 + \epsilon_1 \qquad Y_{12} = \lambda_9\eta_1 + \epsilon_2 \qquad Y_{13} = \lambda_{10}\eta_1 + \epsilon_3 \qquad Y_{14} = \lambda_{11}\eta_1 + \epsilon_4$$

$$Y_{21} = \lambda_{12}\eta_2 + \epsilon_5 \qquad Y_{22} = \lambda_{13}\eta_2 + \epsilon_6 \qquad Y_{23} = \lambda_{14}\eta_2 + \epsilon_7 \qquad Y_{24} = \lambda_{15}\eta_2 + \epsilon_8$$
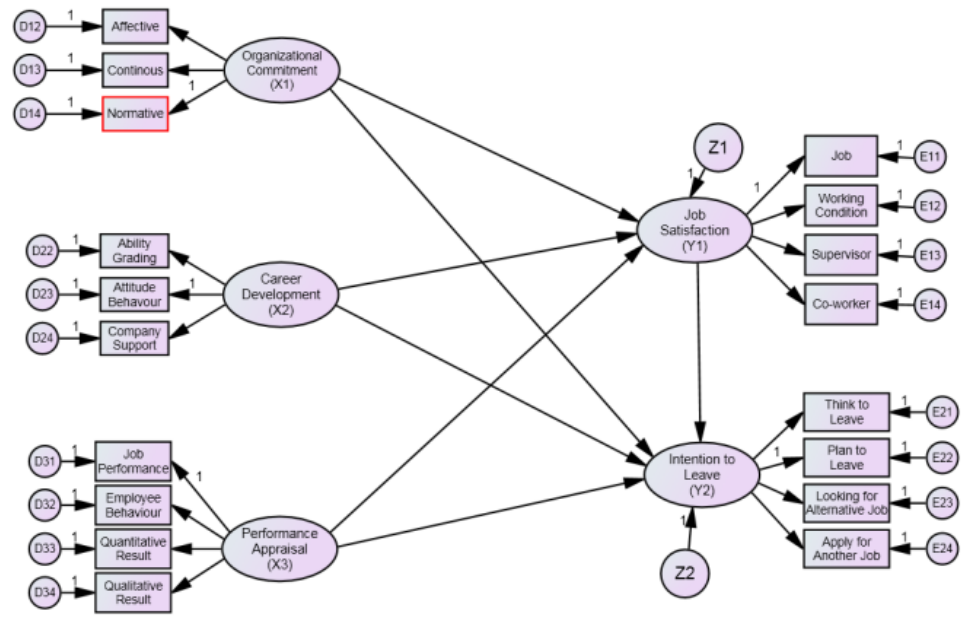

Figure 1: Diagram of Measurement Model

d.   Model Evaluation with Fit Model Criteria

Goodness of fit of a model can be measured using the following criteria [19].

1)   Chi-Square and Probability

Chi-square shows deviation between sample covariace matrix and model (fitted) covariance matrix. However, mi chi-square score is valid only when assumption of data normality has been fulfilled and there is large sample. Chi-square of 0 shows that model has the perfect fit. Chi-Square probability is expected to be not significant ($\geq$ 0.05). P refers to probability to get high deviation as shown by chi-square scores. Significant chi-square (<

0.05) shows that empirical data are different from the theories. On the other hand, not significant probability shows that the empirical data match the model.

2) Goodness of Fit Indices (GFI)

Goodness of Fit Indices (GFI) is measurement about how accurate a model is to create covarian observed matrix. GFI score should range between 0 and 1. Theoretically, it is possible for GFI scores to be negative scores, however it should not occur since model with negative GFI score is the worst of all models. When GFI score is higher than 0.9, the model has good fit model.

3) Adjusted Goodness of fit Index (AGFI)

Adjusted Goodness of Fit Index (AGFI) is the same as GFI, but the former has been adjusted to influence of degree of freedom a model has. Similar to GFI, when AGFI score is 1, it means a model has perfect fit. Fit model is one of which AGFI score is higher than or is 0.9. Parsimony Goodness of Fit Index (PGFI) is similar to AGFI since PGFI has also been adjusted to impact and degree of freedom as well as model complexity. It is better if PGFI mi interpretation is followed by other fit model indexes. Good model is one of which PGFI score is higher than 0.6.

4) Root Mean Square Error of Approximation (RMSEA)

Root Mean Square Error of Approximation (RMSEA) is the most informative indicator of fit model. RMSEA mi measures deviation in parameter score of a model with its population covarian matrix. RMSEA score that is less than or 0.05 indicates fit model. When RMSEA score is between 0.05 and 0.08, it means a model has rasionable error (Byne, 1998). On the other hand, macCallum states that when RMSEA score is between 0.08 and 0.1, a model has sufficient fit. When RMSEA is higher than 0.1, it indicates that the fit model is extremely poor.

5) Tucker-Lewis Index (TLl) and Comparative Fit Index (CFI)

TLI is founded by Tucker and Lewis in 1973 as a means to evaluate analysis factor which later is extended for SEM (Wijanto, 2000). Bentler (1990) proposes another index called Comparative Fit Index (CFI). TLl and CFI scores are between 0 and 1 and formulated in comparison between hypothesized model and independence model. A model is considered as fit model when both TLl and CFI scores are higher than 0.95.

Therefore, indexes that can be used to test a model whether it is a measurement model, causal model, or structural model are summarized in Table 4. The indexes are as follow:

Tabel 4: Goodness of fit Indices

Goodness of fit index	Cut-of Value
X^2 – Chi- Square	is expected to be low

Significance Probability	$\geq 0,05$
X^2/df	$\leq 2,00$
GFI	$\geq 0,90$
AGFI	$\geq 0,90$
CFI	$\geq 0,90$
TLI	$\geq 0,95$
TFI	$\geq 0,90$
RMSEA	$\leq 0,08 - 0,10$

Combining 3 (three) of the measurements from Table 3 can be used to measure fit of the models from 3 (three) different perspectives namely absolute fit, parsimony fit and incremental fit. Absolute fit is absolute fit measurement to determine overall degree of predicting model toward correlational and covarian matrix. Some indexes used to measure absolute fit are chi-square, GFI and RMSEA. Incremental fit is fit measurement used to compare models proposed with baseline model. Some indexes to measure incremental fit are CFI and TLI. Parsimony fit is fit measurement used to find correlation between model fit index and number of parameters to get the fit of the level. Some indexes to measure parsimonyl fit are AGFI and $\chi2/df$ (CMIN/DF) with maximum level of $\leq 2 - 5$ (Heir et al. 2006).

e.   Hypothesis Testing

Hypothesis testing is conducted by analyzing Critical Ratio (CR) and Probability (P) scores in result of Regression Weights. The result is compared to the required statistical limitation; Critical Ratio (CR) score is higher than 2.00 and Probability (P) score is lower than 0.05. When the result of hypothesis testing meets the requirements, the hypothesis is accepted.

4. Findings and Discussions

4.1 Sample Characteristics

59.7% of the respondents, 117 of the total respondents, graduated from three-year diploma program. 31% or 62 respondents graduated from senior high school while 10.3% or 21 respondents have bachelor degree. Sophisticated job description in hospitality industry requires skillful employees. As the effect, continuous supervision should be conducted so that hotel employees are devoted to their work and the hotels where they work. 102 respondents (51%) are between 20 to 25 years old. 20-30 years old are categorized as productive ages and will bring advantages to hotel owners. However, productive age is also a phase when a person's need is increasing. An individual wants to have career advancement during the ages. When hotel management can take advantage of one's productive age, the management can reduce or even eliminate employee's turnover intention. The respondents have been working in the hotels for minimum 1 (year) and maximum 8 years. Referring to their ages, the researcher can draw a conclusion that these job is the first job most of the employees have. For new

employees, low level of job satisfaction may trigger turnover intention. Possibility for career advancement is one of the reasons that motivates employee to find another job.

4.2 SEM Model

The use Structural Equation Modeling (SEM) in behavior analysis is getting more frequent; Structural Equation Modeling (SEM) is used to test various relationships in a model [20]. A good model is expected to have goodness of fit index that meets the minimum critical scores.

Minimal number of samples to use SEM is 100 [21]. The study develops structural model with 15 indicators and the number of sample is 200 respondents. Based on the total number of the samples, SEM can be used as technique of the data analysis.

Table 4.7: Multinormal Distribution Testing

Variable	skew	c.r.	kurtosis	c.r.
TI1	-.142	-.769	-1.072	-2.903
TI2	.221	1.197	-.459	-1.243
TI3	.023	.125	-.797	-2.158
TI4	.237	1.284	-.477	-1.293
PA1	.114	.620	-.316	-.857
PA2	-.238	-1.291	.265	.717
PA3	-.137	-.744	-.785	-2.125
PA4	.362	1.958	-.772	-2.090
CO1	-.116	-.629	-1.164	-3.152
CO2	-.366	-1.981	-.729	-1.975
CO3	-.051	-.275	-1.188	-3.218
CD1	-.517	-2.798	-.316	-.855
CD2	-.645	-3.493	.369	1.000
CD3	-.256	-1.384	-.358	-.970
JS1	-.187	-1.012	-.969	-2.623
JS2	-.531	-2.878	.671	1.818
JS3	-.371	-2.009	-.371	-1.005
JS4	-.661	-3.582	1.634	4.425
Multivariate			7.589	1.876

Multivariate distribution of the data should be analyzed in order to check whether assumption of multinormal distribution has been fulfilled before the data can be analyzed using SEM.

The purpose of normal distribution test in descriptive analysis is to find out distribution pattern of the variables. During modelling process, multinormal distribution test aims to meet requirements in model evaluation and parameter prediction (loading factor and coefficient line) of the model using maximum likelihood estimation technique. Multinormal distribution test is conducted by counting the result of multivariate curtosis test.

Testing result towards curtosis score of 7.589 results in c.r. score of 1.876. It implies that the data used for the model has met multinormal distribution because c.r.score is between -2.54 and 2.54. In order to detect outlier using multivariate, mahalanobis distance is used; mahalanobis distance is the output of analysis using AMOS 20. Based on the result of analysis, there are several outlier multivariate observations because p1 > 0.01.

In the preliminary analysis, there are 24 samples, out of 200 samples, with outlier multivariate and as the effect, there are 176 samples used in the following analysis. Based on Table 4.8, there are 3 (three) samples with p1 < 0.01; however these observations are still included in the analysis because there are very few of them.

Tabel 4.8: Outlier Multivariate Testing

Observation number	Mahalanobis d-squared	p1	p2
3	35.829	0.007	0.730
4	35.829	0.007	0.376
32	35.375	0.008	0.189
176	33.684	0.014	0.226
129	31.887	0.023	0.369
130	31.821	0.023	0.223
.	.	.	.
.	.	.	.
.	.	.	.
23	16.274	0.573	0.645
46	16.231	0.576	0.619
40	16.397	0.565	0.616

The following step is to check outlier univariate. The procedure is to decide range to categorize an element as outlier by converting scores of the data into standardized scores or z-score. For big number of samples (more than 80 samples), outlier univariate takes place when z-score is more/less than -4 to 4 (Heir et al. 2006).

Observations of which z-score is more/less than the range between -4.00 and 4.00 are categorized as outliers. Based on Table 4.9, the data used for the study are those who are not categorized as outlier univariate since their scores is within the range between -4.00 and 4.00.

4.3 Confirmatory Factor Analysis (CFA) Model

Prior to testing the full model using SEM, it is analyzed using Confirmatory Factor Analysis (CFA) model for all variables.

CFA model aims at finding validity and reliability of variable. When the result of CFA model shows an indicator has low loading factor or less than 0.32, the indicator is eliminated from the model (Tabachnick and Fidell, 2006). Confirmatory Factor Analysis (CFA) can be used to check undimensionality of a variable.

Model in confirmatory factor analysis is proven to have estimated results of covarian variance matrix that as similar to covarian variance matrix of the data if based on chi-square the probability is higher than 0.05.

Tabel 4.9: Outlier Univariate Testing

	N	Minimum	Maximum
Zscore(CO1)	176	-2.02601	1.39792
Zscore(CO2)	176	-2.25164	1.43945
Zscore(CO3)	176	-2.00038	1.27974
Zscore(CD1)	176	-2.57674	1.34293
Zscore(CD2)	176	-3.43029	1.29867
Zscore(CD3)	176	-2.75809	1.39675
Zscore(PA1)	176	-2.12861	1.87284
Zscore(PA2)	176	-2.85023	1.82054
Zscore(PA3)	176	-2.54299	1.53042
Zscore(PA4)	176	-2.16838	1.77052
Zscore(JS1)	176	-2.27700	1.30915
Zscore(JS2)	176	-2.94848	1.46797
Zscore(JS3)	176	-2.61421	1.25219
Zscore(JS4)	176	-3.72507	1.36283
Zscore(TI1)	176	-1.54402	2.01988
Zscore(TI2)	176	-1.56597	2.06048
Zscore(TI3)	176	-1.54433	1.88535
Zscore(TI4)	176	-1.48686	2.07351

Another criterion to evaluate the model is Goodness of Fit Index (GFI) score. Minimum score for GFI is 0.90 [21]. When result of GFI is higher than 0.90, reliability of an indicator has been accepted.

The variables of the study are going to be measured using at least 3 (three) indicators. The results of the measurement of the 5 (five) variables in the study are as follow:

All measurements of CFA model explain that the model and all 15 indicators have met the requirement. GFI score is 0.892 (higher than 0.80) and chi-square score is 94.067 resulting in probability score of 0.000. Based on other indexes, the model has also met the requirements.

AGFI score is 0.839 (higher than 0.80), CFI score is 0.958 (higher than 0.90), TLI score is 0.945 (higher than 0.90) and RMSEA score is 0.069 (lower than 0.08). Loading factor in each latent construct is between 0.67 and 0.94 so that each of the indicators has had high construct validity for the latent variables.
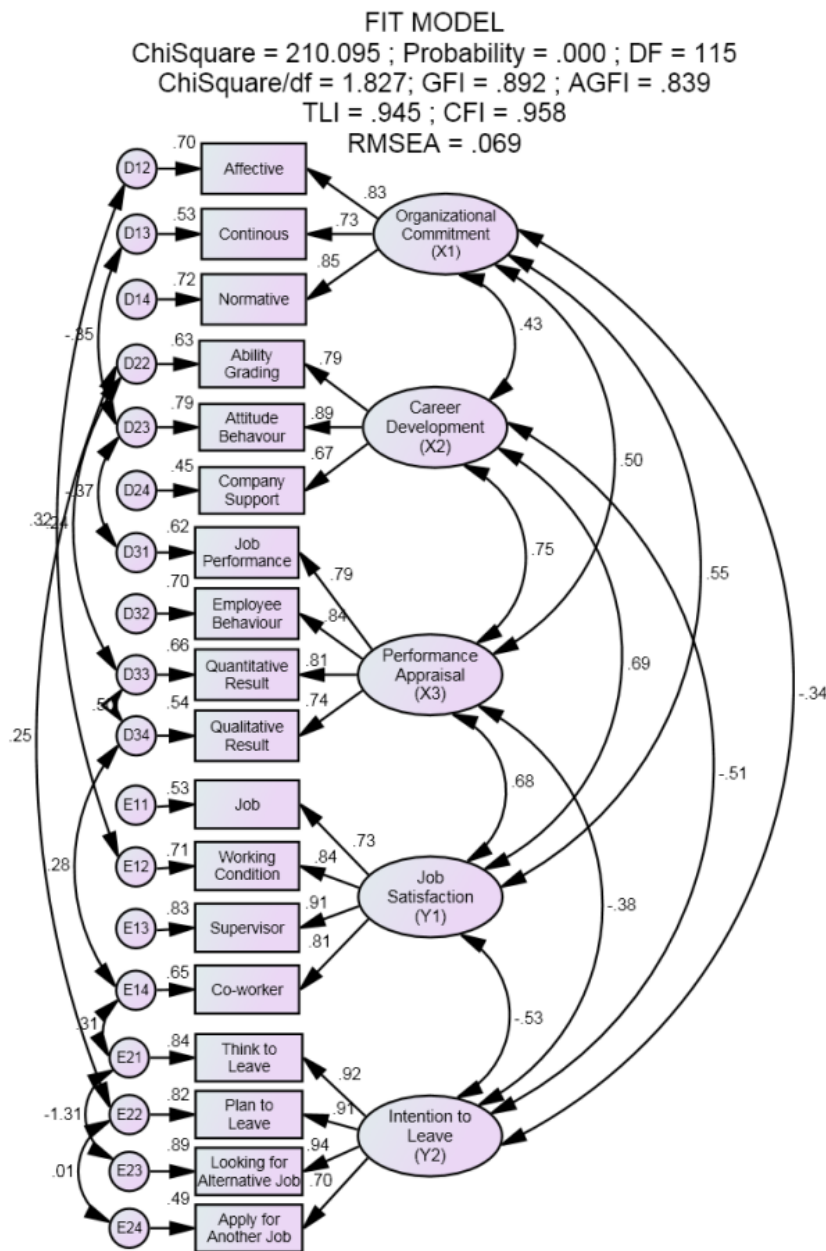

Figure 4.1: Model of Confirmatory Factor Analysis (CFA)

4.4 Full Model

Structural Equation Modeling (SEM) has currently been used more frequently in behavior analysis as statistical method used to test various correlations in a model [20]. AMOS 20 is the software used to analyze and evaluate validity as well as causal relationship among variables in the model. AMOS 20 computation for the SEM model will result in goodness of fit indexes which will be compared to cut-off value of each index. A good model is expected to have criteria of goodness of fit index that meets the minimum critical value. Figure 4.2 shows preliminary result of the structural model being tested.

Result of absolute fit which consists of chi-square, GFI and RMSEA scores show that most of the components have met the criteria. GFI score of 0.791 is considered insufficient because it is lower than 0.80 and RMSEA score of 0.123 is considered insufficient either bacuse it is higher than 0.08. GFI score of 0.791 means 79.1% of covarian matrix of the population can be represented that covarianmatrix of the samples. RMSEA score is an index that measures deviation of a parameter from a model with its covarian matrix of population (Browne and Cudek, 1993). Having finished model evaluation, chi-square is 465.056 and probability is 0.000. It explains that covarian cariance matrix of the empirical data is different from that of the model (probability < 0.05). As the effect, based on the absolute fit component, the structural model cannot be accepted.
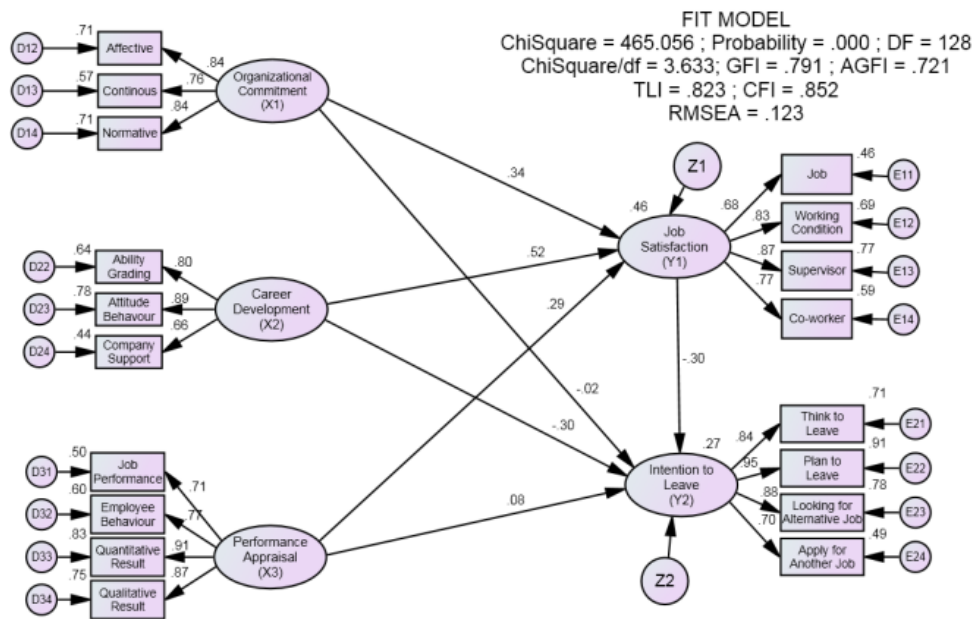

Figure 4.2: Preliminary Model

Parsimonious fit consists of CMIN/DF and AGFI components. AGFI score has the same meaning as GFI score but their scores are adjusted to influence of degree of freedom a model has. Recommended score for AGFI is at least 0.80 and the analysis results in AGFI score of 0.791. The AGFI score is considered insufficient because it is less than 0.80. CMIN/DF score of 3.633 is considered insufficient either since it is higher than 2. As a conclusion parsimonious fit component of the structural model cannot be accepted.

Incremental fit consists of CFI and TLI scores. Recommended Tucker Lewis Index (TLI) score is at least 0.90 and TLI score of the model is 0.823. Meanwhile, recommended score for Comparative Fit Index (CFI) is at least 0.90 and the CFI score of the structural model is 0.852. In conclusion, incremental fit of the structural model cannot be accepted.

Based on the results of analysis from 3 (three) the three model fit indexes, it can be concluded that the structural model have yet been accepted. The preliminary has to encounter unsatisfying results and therefore, respecification or evaluation has to be conducted. The result of the analysis is expected to improve model fit index. There are 2 (two) methods used in model respecification. The first is trimming theory of which purpose is to find out which parameter that will be eliminated in order to improve model fit index [22]. The second is theory building where more parameter is added to increase model fit index. The second theory is also known as Modification Indeces (MI). The first evaluation towards the structural model is to increase correlation among exogenous variable. Figure 4.3 describes the first evaluation towards the model.
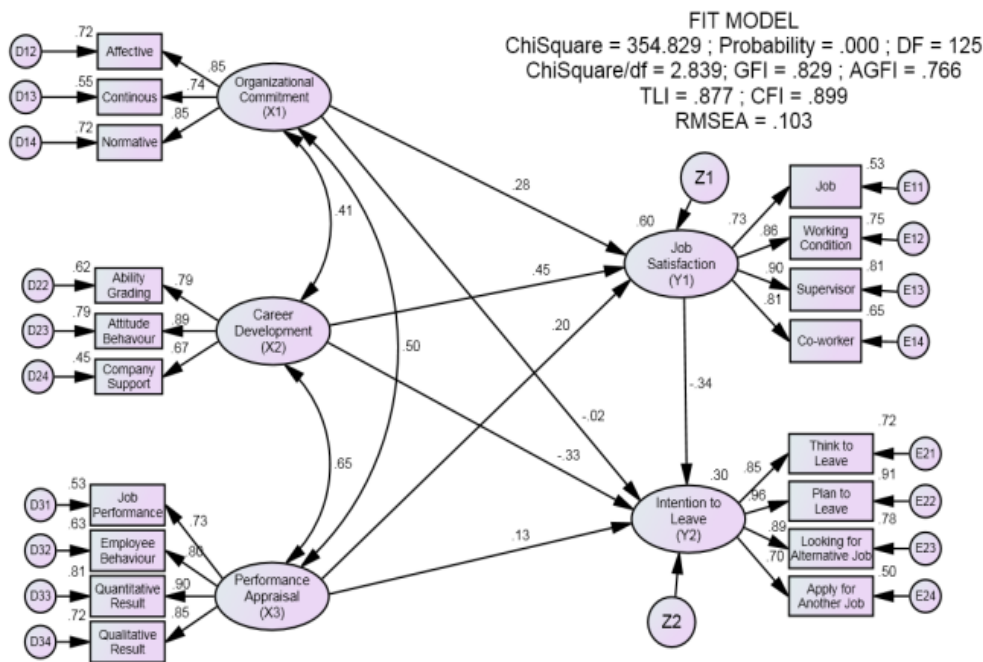

Figure 4.3: First Evaluation towards the Model

Figure 4.3 is the result of the first evaluation towards the structural model being developed. Model fit testing on the model used in the first evaluation shows some improvement compared to the preliminary model; however, all of the criteria have yet met the requirements. Model fit testing on absolute fit shows that the scores of chi-square, GFI and RMSEA have not met the requirements. GFI score of 0.829 is considered marginal because it is between 0.80 and 0.90, while RMSEA of 0.103 is categorized as insufficient since it is higher than 0.08.

Model fit testing results in chi-square of 354.829 with the probability of 0.000. It explains that the variance-covariance matrix of the empirical data is different from the model (probability < 0.05). Based on the components of absolute fit, the structural model cannot be accepted. CFI and TLI scores of 0.899 and 0.877

respectively are still categorized as insufficient because they are not higher than 0.90. As the effect, both criteria of parsimony fit have yet been fulfilled. Since the result of the model fit testing cannot be accepted, the second evaluation towards the model is conducted where error correlation among indicators should be suitable with the result of MI measurement. The result of modelling in the second evaluation is as follow:

Model fit index has meet the requirements namely chi-square of 220.233 (p= 0.000), GFI of 0.885 (higher than 0.80), AGFI of 0.825 (higher than 0.80), CFI of 0.953 (higher than 0.90), TLI of 0.935 (higher than 0.90) and RMSEA of 0.074 (lower than 0.08). In conclusion, the model can be accepted as the final model to interpreted and included in hypothesis testing.
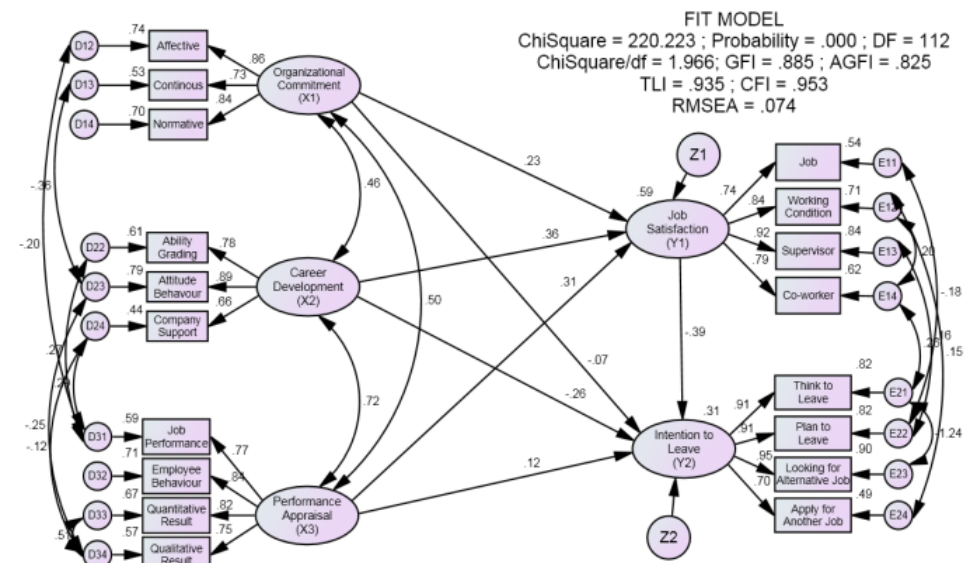

Figure 1: SEM Model

Structural model in the study is developed based on 2 (two) equations namely (1) influence of commitment to organization, career development and performance appraisal towards job satisfaction; and (2) influence of commitment to organization, career development, performance appraisal and job satisfaction towards turnover intention.

Table 1: Result of Coefficient Line Testing

			Estimate	C.R.	P
satisfied	<---	commitment	0.226	2.936	0.003
satisfied	<---	career	0.362	3.498	<0.001
satisfied	<---	performance	0.311	2.894	0.004
resign	<---	commitment	-0.069	-0.797	0.425
resign	<---	career	-0.261	-2.180	0.029
resign	<---	performance	0.117	0.963	0.336

	Estimate	C.R.	P
resign <--- satisfied	-0.391	-3.318	<0.001

Analysis of the structural model states that not all relationship in the model of hypotheses is proven as significant. Commitment to organization, career development and performance appraisal has significant influence (p<0.05) towards job satisfaction. Employee's job satisfaction is going to increase when the employee has high commitment, has good career development and accepts fair performance appraisal. The coefficient line of career development (0.362) is the highest one compared to commitment to organization. As an addition, performance appraisal shows that change in job satisfaction can be elaborated using career development from attitude and behavioral aspects. Job satisfaction and career development have significant influence (p<0.05) towards turnover intention. On the other hand, commitment to organization and performance appraisal do not have significant influence (p>0.05) towards job satisfaction. High job satisfaction will decrease employee's intention to resign. Besides that, turnover intention will decrease when an employee thinks that he/she has good career development/ advancement.

5. Methodology

Based on the analysis, there are 3 (three) variables that have significant influence towards job satisfaction namely commitment to organization, career development and performance appraisal. For hotel employees, job satisfaction can best be explained by career development and performance appraisal.

Job satisfaction is employee's emotional condition when there is or there is not a consensus between Reward Company gives for his/her work and reward the employee expects to get based on his/her work [23]. Employee's commitment to his/her organization will reduce and eventually cause some dissatisfaction when the employee feels the organization does not give as much appreciation toward his/her work. Career development may potentially cause dissatisfaction for employees when it is given in unfair way especially when company does not value employee's performance wisely.

Issues related to job dissatisfaction employees may have should be a thing hotel management taken into account due to increasing number of hotels in Malang. Head of Association of Indonesian Hotel and Restaurant (Persatuan Hotel dan Restoran Indonesia) Herman Suharyono states currently there are 60 (sixty) hotels in Malang; 15 (fifteen) of them are star-rating hotels. In a short time, 23 hotels are going to be established in Malang and as the effect competition among hotels are going to be fiercer. Based on the empirical data, the causes of low level of job satisfaction are discrepancy between job description and employee's skills, non-supportive working atmosphere, uncaring supervisors and lack of support from the colleagues.

Commitment to organization of employee is different from one employee to another. Each employee will have different point of view that reflects to what extent his/her understanding about and devotion towards a company [7]. Hotel employee's commitment to organization can best be elaborated using affective commitment that

means employees who have strong commitment to keep working for an organization has similar vision with the company and has intention to keep the job.

The second factor to improve job satisfaction is career development. Career development is any process and activities related to employee affairs that help employees planning their careers in organization so that the employees can develop their potentials optimally. In conclusion, career development should involve both employees and organization.

The third factor to increase job satisfaction is performance appraisal. Performance appraisal is formal evaluation and evaluation towards one's performance individually or when he/she becomes part of a team in the present and/ or in the past toward standardized achievement. There are 4 (four) aspects of evaluation namely job implementation, employee's attitude, as well as qualitative and quantitative result of work. From the 4 (four) aspects, quantitative result of work is considered lacking compared to the other three aspects of evaluation. The quantitative result of work involves time spent to finish work, number of errors in the process of fulfilling the work and number and type of services given at work.

Having analyzed the structural model, there are 2 (two) variables with the most significant influence towards turnover intention, career development and job satisfaction. High level of turnover intention is the result of low job satisfaction due to lower than expected career development. The finding of the study shows that low level of job satisfaction increases employee's intention to quit his/her current job. Similar to compensation, job satisfaction also have negative influence. Turnover intention is influenced by mostly job satisfaction and career development. Based on the model, specifically, supervisor in job satisfaction variable and competitive behavior of employees in career development are two elements with the highest contribution towards turnover intention.

Supervisor is a person in charge and he/she has authority to give order to employees. Supervisor is component of a hotel who should keep encouraging employees and create conducive working climate. On the other hand, in terms of career development, hotel management should carry out various methods so that employees have required knowledge, skills and attitude as well as keep on improving them in order to increase their quality of work and lives. Career development is any process and activities of employee affairs that helps employees planning their career in an organization so that both the employees and organization can develop themselves to maximum extent.

Employees will have some sort of satisfaction at work when they can fulfill their needs. Besides job satisfaction and career development, some important policies Human Resource Department have to pay attention to are training, compensation & benefit, performance management, career development, employee relation since they have strong potentials to influence one's turnover intention. Job satisfaction as assessment towards one's ability to achieve or finish task that he/she considers important which at the same time represents one's affective reaction from a type job and attitude towards job [11]. Some components or variables that influence individual opinion about their working environment determine job satisfaction.

There are two psychological conditions that have important role to affect one's turnover intention in their study;

they are quality of work and job satisfaction [24]. Meanwhile, Clugston describes that normative commitment does not have significant impact towards one's intention to leave, but job satisfaction has more significant direct impact towards the intention to leave compared to commitment to organization [25]. Miller and Wheeler whose study focuses on women role state that job satisfaction affects female decision to resign from her current job [27].

6. Conclusion and Suggestion

6.1 Conclusion

Based on the results of analysis, discussions of the findings and the hypothesis-testing, some conclusions to draw are as follow:

1. Commitment to organization has significant influence towards job satisfaction; the score is 0.226. The implication is when employee's commitment to organization remains high, his/her job satisfaction will increase too.
2. Career development has significant influence towards turnover intention; the score is 0.362. It implies that when employees have clear understanding about their career development, their job satisfaction increases.
3. Performance appraisal has significant influence towards job satisfaction; the score is 0.311. It is the evidence that transparent job appraisal results in increasing job satisfaction.
4. Commitment to organization has significant influence towards turnover intention; the score is -0.069. It means even though an employee has high commitment to organization, he/she still has intention to resign from his/her current job.
5. Career development has significant influence towards turnover intention; the score is -0.261. The implication is when an employee understands career development he/she can have, turnover intention will decrease.
6. Performance appraisal does not have significant influence towards turnover intention; the score is 0.117. It shows that even though employee receives positive performance, the employee still has intention to resign from his/her current job.
7. Job satisfaction has significance influence towards turnover intention; the score is -0.391. The implication is higher job satisfaction will decrease one's intention to resign from his/her job.

6.2 Suggestion

There are some suggestions given based on the findings of the study; they are as follow:

1.   Suggestion for Hotel Management:

Hotel management should establish policies related to human resources more specifically policies related to training, compensation & benefit, performance management, career development, and employee relation. Such policies are closely related to turnover intention. As an addition, to increase the job satisfaction of employees,

there should be a match between task given and employee's skills and abilities. Supervisor should also keep giving supervision to the employees.

2.   Suggestion for Future Researchers:

Future researchers interested to discuss similar topic should involve more star-rating hotels as the objects. It is better when hotels with various star-rating can be participated in future studies. By doing so, it is expected that the findings can give more significant contributions towards human resource policies for hotel employees in Malang.

Acknowledgement

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