THE ROLE OF QUALITY OF WORK LIFE MEDIATES THE EFFECT OF PSYCHOLOGICAL CAPITAL ON TURNOVER INTENTION

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**ABSTRACT:** The purpose of this study is to explain the role of quality of work life mediating the influence of psychological capital with turnover intention. This research was conducted at Ibu Rai Bar & Restaurant in Ubud. The number of samples in this study were 46 employees, through saturated sampling. Data collection was carried out through questionnaires and interviews. The analysis technique used is path analysis. The results found that psychological capital has a positive and significant effect on quality of work life. quality of work life has a negative and significant effect on turnover intention. psychological capital has a negative and significant effect on turnover intention. quality of work life can mediate the effect of psychological capital on turnover intention. The manager should put on training for employees when dealing with problems they face as well as providing advice, support to employees and provide employee salaries in accordance with the workload given to employees.

**Keywords:** turnover intention, psychological capital, quality of work life.

I. INTRODUCTION

An organization if it wants to be successful for a long period of time, the organization must maintain the level of employee satisfaction (Berry, 1997). The results of interviews with 10 restaurant employees, the main causes of employee discharge are lack of employee satisfaction with their salaries, employees who find it difficult to get time off or switch work hours, and employees leave because they only seek experience working in the restaurant to be able to work elsewhere and get a position better position. Apart from job satisfaction, some employees also have problems with employee confidence and optimism when handling customer complaints that will cause stress on employees. Turnover is one of the main challenges faced by modern organizations today (Birur and Muthiah, 2013).

A good understanding in managing employee turnover will produce great benefits for the organization, such as preventing and overcoming employees who have the intention to stop working (Tuzun and Kalemci, 2012). A meta-analysis shows that Psychological Capital is an important predictor of negative work-related attitudes such as cynicism towards change, stress, anxiety and turnover intention (Avey et al., 2011).

Psychological Capital (PsyCap) is a positive psychological force that forms a person's positive frame of mind about the state of his environment and increases the likelihood of him being able to achieve success through motivation and effort (Luthans et al., 2007a). PsyCap is very important because it contains positive employee strength at work (Kang et al., 2018). The PsyCap components namely Self-efficacy, optimism, hope and resilience are conceptualized as a benchmark and can be used to produce effective performance in the workplace (Luthans et al., 2004). Employees who have high self-efficacy, optimism, expectations, and resilience will be motivated to display quality performance and remain in the organization (Newman et al., 2014).

Employee motivation at work can be improved through satisfying work relations and working conditions in the organization (Kim et al., 2016). A satisfying work relationship and working conditions can be grown through quality of work life (QWL), which is employee satisfaction with a variety of needs through resources, activities, and results arising from participation in the workplace (Sirgy et al., 2001). Employees with good QWL perceptions tend to show low turnover intention (Lee et al., 2015; Lin et al., 2015).

Quality of work life (QWL) represent the creation of employee welfare at work (Sirgy et al., 2001). Implementing good QWL makes employees healthier, more committed and safer at work and will reduce organizational expenses (Horst et al., 2014). The quality of work life of employees is an important factor for organizational survival (Nanjundeswaraswamy and Swamy, 2015). QWL refers to the welfare of the employee in the place where he works and contributes to job satisfaction (Sirgy et al., 2001).
The principle of COR (Conservation of Resources) Theory is that people are motivated to obtain, maintain, maintain and protect the things that people value, which are called resources (Hobfoll, 2002). COR theory explains that where individuals will be motivated to maintain and obtain resources that individuals value such as individual personal resources (eg self-efficacy, optimism, expectations, and resilience) and resources obtained from the workplace (eg QWL) so that individuals who have a good PsyCap and QWL that makes individuals motivated at work and keeps individuals at work. COR theory is based on the principle that employees are motivated to protect current employee resources (conservation) and obtain new resources (Halbesleben et al., 2014).

Employees who have high self-efficacy, optimism, expectations and resilience produce resources such as satisfying work relationships and working conditions related to the work environment so that PsyCap fosters employee perceptions about QWL, which are related to satisfying various needs (eg survival, belonging and knowledge) (Kim et al., 2016). Using research from Nguyen and Nguyen (2012) and Nguyen et al. (2014) found that PsyCap had a positive impact on QWL. PsyCap is related to employee welfare because employees who have high PsyCap experience higher happiness and satisfaction at work (Youssef and Luthans, 2007). PsyCap has a positive impact on QWL (Kang et al., 2018).

H1: Psychological capital has a positive and significant impact on Quality of work life.

COR theory also serves as a theoretical basis for developing the relationship between PsyCap and turnover intention so that PsyCap is an antidote to employee turnover intention (Kim et al., 2016). Recent research from Amunke and Rothmann (2015) revealed that PsyCap has a negative influence on turnover intention. Research by Karatepe and Karadas (2014) provides evidence of a negative relationship between PsyCap and turnover intention. Employees with high PsyCap tend to remain positive, accept challenges and, as such, are less likely to have turnover intentions (Avey et al., 2011). An empirical study by Avey et al. (2009) showed a negative relationship between PsyCap and turnover intention. Research conducted by Choi and Lee (2014) shows PsyCap has a negative and significant impact on turnover intention.

H2: Psychological capital has a negative and significant impact on turnover intention.

Employees with various satisfaction needs such as survival, ownership, and knowledge can show desired results such as quality job performance, reduced turnover intention and increased job satisfaction and are consistent with COR theory where QWL is a valuable resource for employees (Kim et al., 2016). Wan and Chan (2013) argue that QWL in the casino industry can encourage and produce positive results such as a reduction in turnover. Research conducted in other service places shows that QWL reduces turnover intention (Almalki et al., 2012; Surienty et al., 2014). QWL has a negative impact on turnover intention (Kang et al., 2018). QWL perception has a direct negative effect on turnover intention (Huang et al., 2007).

H3: Quality of work life has a negative and significant impact on turnover intention.

When employees who have high PsyCap get resources such as satisfying work relationships at work, employees have good perceptions about QWL which in turn will produce good work results such as low turnover intention (Kim et al., 2016).

PsyCap high employee very influential on positive work results. Employees who have high PsyCap and get satisfying resources at work then employees will have a good QWL perception. The good QWL perception will also result in decreased turnover intention.

H4: Quality of work life mediates significantly the effect of psychological capital on turnover intention.

II. METHODS

This research is located at Ibu Rai Bar & Restaurant which is located at Jl. Monkey Forest No.72, Ubud, Ubud District, Gianyar Regency, Bali. This research was conducted at Ibu Rai Bar & Restaurant due to problems associated with turnover intention. The population in this study is the number of employees at Ms. Rai Bar & Restaurant as many as 46 people not including managers because the owner of Ms. Rai Bar & Restaurant is also a manager. The sample is part of the population that will represent the population based on certain characteristics determined by researchers to be studied and then drawn conclusions. The sample technique that will be used in this study is a saturated sample because all members of the population are respondents.

This study uses path analysis techniques. Path analysis is an extension of multiple linear regression analysis, where the development here is in the form of the application of mediating variables. Mediation variables are variables that have the role of mediating the relationship between one variable and another.

Sub-structural Equations 1

\[ M = \alpha + \beta_1X_1 + e_1 \]  

Sub-structural Equations 2

\[ Y = \alpha + \beta_1X_1 + \beta_2M + e_2 \]

Information:

- X = Psychological capital
- M = Quality of work life

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III. RESULTS AND DISCUSSION

Path coefficient calculation is done by regression analysis through SPSS 17.0 for Windows software, the results shown are as follows:

### Table 1. Results of Regression Equation Path Analysis 1

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>0.022</td>
<td>.358</td>
<td>0.063</td>
<td>0.950</td>
</tr>
<tr>
<td>Psychological Capital (X)</td>
<td>1.049</td>
<td>.100</td>
<td>10.465</td>
<td>0.000</td>
</tr>
<tr>
<td>R2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>F count</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. F</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The results of substructural path analysis 1 as presented in Table 2 then the structural equation is as follows.

M = α + β1X + e1
M = 0.022 + 0.844X + e1

### Table 2. Results of Analysis of Path of Regression Equations 2

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>6.782</td>
<td>.352</td>
<td>19.240</td>
<td>0.000</td>
</tr>
<tr>
<td>Psychological Capital (X)</td>
<td>-0.654</td>
<td>.184</td>
<td>-3.550</td>
<td>.001</td>
</tr>
<tr>
<td>Quality of work life (M)</td>
<td>-0.508</td>
<td>.148</td>
<td>-3.423</td>
<td>.001</td>
</tr>
<tr>
<td>R2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>F count</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. F</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The results of substructural path analysis 2 as presented in Table 2, the structural equation is as follows.

\[ Y = \alpha + \beta_2X + \beta_3M + e2 \]

Before compiling the final path diagram, first calculate the default error value as follows.

\[ Pei = \sqrt{1 - R_i^2} \]

\[ Pe1 = = = 0.536 \sqrt{1 - R_1^2} \sqrt{1 - 0.713} \]

\[ Pe2 = = = 0.465 \sqrt{1 - R_2^2} \sqrt{1 - 0.784} \]

The results of the calculation of the effect of error (Pei), obtained the effect of error (Pe1) of 0.536 and the effect of error (Pe2) of 0.465. The results of the total determination coefficient are as follows.

\[ R^2m = 1 - (Pe1)^2 (Pe2)^2 \]

\[ = 1 - (0.536)^2 (0.465)^2 \]

\[ = 1 - (0.287) (0.216) \]

\[ = 1 - 0.062 \]

\[ = 0.938 \]
A total determination value of 0.938 means that 93.8% of the variation in the Turnover intention in the Bar & Restaurant influenced by variations in psychological capital and quality of Work Life, while the remaining 6.2% is explained by other factors not included in the model.

The calculation of influence between variables can be summarized in Table 3 as follows:

<table>
<thead>
<tr>
<th>Influence of Variables</th>
<th>Direct Influence</th>
<th>Indirect Effects Through Quality of Work Life (β1 × β3)</th>
<th>Total Influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>X → M</td>
<td>0.844</td>
<td>-</td>
<td>0.844</td>
</tr>
<tr>
<td>X → Y</td>
<td>-0.469</td>
<td>-0.382</td>
<td>-0.851</td>
</tr>
<tr>
<td>M → Y</td>
<td>-0.453</td>
<td>-</td>
<td>-0.453</td>
</tr>
</tbody>
</table>

Primary Data, 2020

Information:
X = Psychological Capital
M = Quality of Work Life
Y = Turnover Intention

Table 4. Results of Regression Path Analysis without Mediation

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>6.770</td>
<td>.393</td>
<td>0.063</td>
<td>0.000</td>
</tr>
<tr>
<td>Psychological Capital (X)</td>
<td>-1.187</td>
<td>0.110</td>
<td>-0.852</td>
<td>-10.780</td>
</tr>
<tr>
<td>R²</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>F count</td>
<td></td>
<td></td>
<td>116.217</td>
<td></td>
</tr>
<tr>
<td>Sig. F</td>
<td></td>
<td></td>
<td>0.000</td>
<td></td>
</tr>
</tbody>
</table>

Primary Data, 2020

It can be seen in table 4 that the direct effect of psychological capital on turnover intention without mediation is negative and significant of -0.852 and 0.000 <0.05.

**Sobel Test**

The Sobel Test is an analytical tool to test the significance of the indirect relationship between the independent variable and the dependent variable mediated by the mediator variable. The Sobel Test was formulated and calculated through the Microsoft Excel 2007 application. If the Z value is greater than 1.96, the mediator variable is considered to significantly mediate the relationship between the dependent variable and the independent variable.

To test the significance of the indirect effect, the z value of the ab coefficient is calculated by the following formula.

\[
S_{ab} = \sqrt{(0.453)^2(0.100)^2 + (0.844)^2(0.148)^2 + (0.100)^2(0.148)^2}
\]

\[S_{ab} = 0.133694\]

Information:
Sat = the size of the indirect error standard
Sa = 0.100
Sb = 0.148
a = 0.844
b = 0.453

To test the significance of the indirect effect it is necessary to calculate the Z value of the ab coefficient using the following formula.

\[Z = \frac{ab}{S_{ab}}\]

Information
Sat =0.133694
ab = Line X with respect to M (a) with line M with respect to Y (b)
\[Z = \frac{(0.844)(0.453)}{0.133694}\]
The results of the calculations show that the tabulated results $Z = 2.8598 > 1.96$ which means that the mediator variable namely quality of work life is considered to significantly mediate the relationship between psychological capital and employee turnover intention.

Testing the Role of Quality of Work Life Variables as Mediator Variables on the Effects of Psychological Capital on Turnover Intention

1) Psychological capital $\rightarrow$ turnover intention, negative of -0.469 and significant.
2) Psychological capital $\rightarrow$ turnover intention, negative is -0.852 and significant.
3) Psychological capital $\rightarrow$ quality of work life, positive of 0.844 and significant.
4) Quality of work life $\rightarrow$ turnover intention, negative of -0.453 and significant.

Thus, it can be explained that on influence psychological capital on quality of work life (3) is positive and significant. On the effect of quality of work life on turnover intention (4); and the effect of psychological capital on turnover intention (1) is negative and significant; and the effect on psychological capital on turnover intention without involving mediation variables are negative and significant, where the direct effect is given by psychological capital towards turnover intention without involving mediation variables of -0.852 and significant, and the value of the value is greater when compared to the direct effect given by psychological capital towards turnover intention in the model by involving mediating variables that is equal to -0.469. Therefore, it can be concluded that quality of work life acts as a partial mediator in mediating the effect of psychological capital on turnover intention. That is, psychological capital still has an influence on turnover intention with or without the variable quality of work life.

Effect of Psychological Capital on Quality of Work Life

Hypothesis testing of psychological capital variables on quality of work life stated that in this study the results of $H_0$ were rejected and $H_1$ was accepted. This result means that psychological capital has a positive and significant effect on the quality of work life at Ibu Rai Bar & Restaurant, this means that the higher the level of psychological capital owned by employees, the higher the quality of work life that employees feel. Employees who have good psychological capital will foster a good perception of quality of work life related to the satisfaction of various needs received at Ibu Rai Bar & Restaurant.

This result is supported by research conducted by Kim et al. (2016) states that employees who have high self-efficacy, optimism, expectations and endurance produce satisfying work relationships and working conditions related to the work environment so psychological capital fosters employee perceptions about quality of work life, which is related to satisfying various needs (for example survival, belonging and knowledge). Nguyen and Nguyen (2012), Nguyen et al. (2014), as well as Kang et al. (2018) states that psychological capital has a positive impact on QWL. Youssef and Luthans (2007) state that psychological capital is related to employee welfare because employees who have high psychological capital experience happiness and higher satisfaction at work.

Effects of Psychological Capital on Turnover Intention

Hypothesis testing variables psychological capital of turnover intention, the results obtained that the theory used in this study is Conservation of Resources theory. The theory shows that if individuals who have high psychological capital resources make individuals motivated at work and make individuals stay at work, this is in accordance with this study which found that $H_0$ was rejected and $H_1$ was accepted. This result means that psychological capital negative and significant effect on turnover intention, this means that the higher the level psychological capital the employee has, the lower the level of employee turnover intention. Mrs. Rai Bar & Restaurant's employee turnover intention level is caused by the presence of psychological capital owned by the employee. In this case, rate psychological capital Most of these are caused by frequent employees work with consideration when something goes wrong in an employee's work. Should psychological capital employees need to be increased to reduce the level of turnover intention on Ibu Rai Bar & Restaurant.

This research is in accordance with research conducted by Kim et al. (2016) states that COR theory also functions as a theoretical basis for developing the relationship between psychological capital and turnover intention so that psychological capital is an antidote to employee turnover intention. Recent studies from Amunkele and Rothmann (2015), Karatepe and Karadas (2014), Avey et al. (2009) and Choi and Lee (2014) stated that psychological capital has a negative influence on turnover intention. Avey et al., (2011) state that employees with high psychological capital tend to remain positive, accept challenges and, as such, are less likely to have turnover intentions.

Effect of Quality of Work Life on Turnover Intention
Hypothesis testing variables quality of work life of turnover intention, the results obtained that the theory used in this study is Conservation of Resources theory. The theory shows that if individuals who have high quality of work life resources make individuals to be motivated at work and make individuals stay at work, this is in accordance with this study which found that H0 was rejected and H1 was accepted. This result means that quality of work life negative and significant effect on turnover intention, this means that the higher the level quality of work life the employee has, the lower the level of employee turnover intention.

This research is in accordance with research conducted by Kim et al. (2016) states employees with various satisfaction needs such as survival, ownership, and knowledge can show desired results such as quality work performance, reduced turnover intention and quality of work life increases and are consistent with Conservation of Resource theory where quality of work life is a valuable resource for employees. Wan and Chan (2013) state that quality of work life in the casino industry can encourage and produce positive results such as reducing turnover. Almalki et al. (2012) and Surienty et al. (2014) states that quality of work life reduces turnover intention. Kang et al. (2018) and Huang et al. (2007) states the quality of work life has a negative impact on turnover intention.

The Role of Quality of Work Life Mediates the Effect of Psychological Capital on Turnover Intention

Sobel Test Results found that significantly quality of work life mediates the effect of psychological capital on turnover intention. psychological capital High employee is very influential on positive work results. Employees who have psychological capital high and get satisfactory resources at work then employees have a perception quality of work life good so perception quality of work life the good will also result in decreased turnover intention. In previous tests get that quality of work life acts as a partial mediator in mediating the influence of psychological capital on turnover intention. That is, psychological capital still has an influence on turnover intention with or without the variable quality of work life. As stated by Kim et al. (2016) that when employees have psychological capital get high resources such as satisfying work relationships at work, employees have good perceptions about quality of work life which in turn will produce good work results such as low turnover intention.

IV. CONCLUSION

Theoretical implications relate to contributions to the development of theories about direct influence psychological capital and quality of work life to turnover intention and the role of mediation quality of work life on influence psychological capital to turnover intention. Thus, the results of this study provide empirical support and can be stated to strengthen the results of previous studies.

Practical implications relate to the contribution of research into employee turnover intention of Ms. Rai Bar & Restaurant. The results of this study are expected to be used as input for Ms. Rai Bar & Restaurant, so as to reduce the level of employee turnover intention. One way that companies can reduce the level of turnover intention is to hold training for employees when dealing with the problems they face and provide advice and support to employees to always feel optimistic about their work so that they feel psychological capital owned by high and increasing employees quality of work life employees, especially on the amount of employee salaries provided must be in accordance with how much workload provided by the company.

REFERENCES


