The Influence of Career Development and Perceived Organizational Support (POS) on Employee Retention Through Employee Performance at PT. Graha Agung Perkasa

Mustabsyiroh Kumala¹*, Yuniardi Rusdianto²
Universitas Pembangunan Nasional “Veteran” Jawa Timur

Corresponding Author: Mustabsyiroh Kumala
20042010085@student.upnjatim.ac.id

Abstract

This research aims to analyze the influence of career development and perceived organizational support (POS) on employee retention through employee performance at PT. Graha Agung Perkasa. The type of research carried out in this research is quantitative. The population in this study were employees from PT. Graha Agung Perkasa, totaling 100 respondents. The sample collection technique used the Slovin formula which obtained 50 respondents. The research results showed that career development had a significant effect on employee retention, perceived organizational support (POS) had a significant effect on employee retention, career development had a significant effect on employee performance, perceived organizational support (POS) has an effect but is not significant on employee performance, and employee retention has a significant effect on employee performance.

Keywords: Career Development, Perceived Organizational Support, Retention, Performance

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INTRODUCTION

Currently, the development of the business world has developed very rapidly and is experiencing continuous metamorphosis progress, this will improve performance so that it can be superior in competing in various corporate sectors and have more advanced human resources. Every organization that wants to achieve its goals is expected to be able to develop resources, one of which is human resources. The role of management in managing human resources is very helpful in developing the organization and increasing efficiency and performance productivity in the organization.

Employee performance is the real behavior displayed by each person as work performance produced by employees in accordance with their role in the company (organization). In order for this management to run smoothly, several important aspects must be taken into account, such as career development and employee empowerment, as well as several other performance aspects. PT. Graha Agung Perkasa is expected to be able to manage human resources well in order to achieve company goals. Retention is a technique often used by management to retain employees so that they remain with the company. To increase employee work efficiency, this needs to be done requiring high employee retention. If employee retention is low it also means employee turnover is increasing and has a negative impact on company operations and efficiency.

Table 1. Employee Retention Data PT. Graha Agung Perkasa 2020-2023

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of employees</th>
<th>Number of Incoming Employees</th>
<th>Number of Employees Leaving</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>105</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td>2021</td>
<td>99</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>2022</td>
<td>94</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>2023</td>
<td>102</td>
<td>5</td>
<td>7</td>
</tr>
</tbody>
</table>

Source: HRD PT. Graha Agung Perkasa, 2023

Based on Table 1, it shows that the problem with this company is the large number of turnovers in the last three years which has caused a decline in employee performance. PT. Graha Agung Perkasa has several competing companies such as Chalidana Group, PT Muara Artha Purnama (Green Lake Natura Living), Intiland Group and Provest (Amesta), several competitors require their employees to work optimally to fulfill customer desires.

LITERATURE REVIEW

*Human Resources*
According to Hasibuan Malayu SP (2019), human resource management means the science and art of managing the relationships and roles of the workforce so that they are more effective and efficient in helping to realize the goals of the company, employees and society.

**Career Development**

According to Amah (2006) in Ikechukwu & Adolphus (2017), career development is the process of developing employee knowledge and skills to help them face new challenges and opportunities. The goal of career development is to enable employees to fulfill their personal needs and grow according to organizational requirements.

**Perceived Organizational Support (POS)**

According to Waileruny (2014) said that perceived organizational support (POS) or organizational support is the level that shows the extent to which employees believe the organization values their contributions and cares about their welfare.

**Employee Retention**

Retention is a company's effort to maintain or maintain valuable employees who contribute to an organization as long as the relationship is mutually beneficial for both parties. The key to empowering employees or retaining employees is to create a good work environment and make employees feel comfortable working. (Oyoo et al., 2016)

**Employee performance**

Performance is a description of the extent to which a person has implemented the company's strategy to achieve goals related to the role of an employee or individual or in seeing the existing potential of an employee who is declared relevant to the company. Harsuko (Priansa 2017:67).

**Conceptual Framework**
Hypothesis
H1: Career Development allegedly affects Employee Retention
H2: Perceived Organizational Support (POS) allegedly affects Employee Retention
H3: Career Development allegedly affects employee performance
H4: Perceived Organizational Support (POS) allegedly affects employee performance
H5: Employee performance allegedly affects employee retention
H6: Career Development allegedly affecting Employee Retention through Employee Performance
H7: Perceived Organizational Support (POS) allegedly affecting Employee Retention through Employee Performance

METHODOLOGY
The type of research carried out in this research is quantitative using descriptive analysis methods. In this research, researchers used the Slovin formula to determine the sample and obtained 50 respondents. The population in this study were employees of PT. Graha Agung Perkasa with a population of 100 respondents. The data analysis technique in this research uses path analysis which aims to analyze the relationship patterns between variables.

RESEARCH RESULT
Based on several test have been carried out in research, the following result were obtained.

Validity Test

Table 2. Validity Test Results

<table>
<thead>
<tr>
<th>Variables and Statements</th>
<th>Correlation Coefficient/r</th>
<th>rtable</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Career Development(X1.1)</td>
<td>0.697</td>
<td>0.273</td>
<td>Valid</td>
</tr>
<tr>
<td>Career Development(X1.2)</td>
<td>0.862</td>
<td>0.273</td>
<td>Valid</td>
</tr>
<tr>
<td>Career Development(X1.3)</td>
<td>0.792</td>
<td>0.273</td>
<td>Valid</td>
</tr>
<tr>
<td>Career Development(X1.4)</td>
<td>0.793</td>
<td>0.273</td>
<td>Valid</td>
</tr>
<tr>
<td>Perceived Organizational Support (POS)(X2.1)</td>
<td>0.564</td>
<td>0.273</td>
<td>Valid</td>
</tr>
<tr>
<td>Perceived Organizational Support (POS)(X2.2)</td>
<td>0.789</td>
<td>0.273</td>
<td>Valid</td>
</tr>
<tr>
<td>Perceived Organizational Support (POS)(X2.3)</td>
<td>0.781</td>
<td>0.273</td>
<td>Valid</td>
</tr>
<tr>
<td>Perceived Organizational Support (POS)(X2.4)</td>
<td>0.775</td>
<td>0.273</td>
<td>Valid</td>
</tr>
</tbody>
</table>
Based on the validity test results table above, it shows that the correlation coefficient value is greater than the rtable value, so it can be concluded that the data obtained is valid.

**Reliability Test**

<table>
<thead>
<tr>
<th>No.</th>
<th>Variable</th>
<th>Cronbach's Alpha</th>
<th>Cronbach's Alphaminimum</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Career Development (X1)</td>
<td>0.784</td>
<td>0.60</td>
<td>Reliable</td>
</tr>
<tr>
<td>2.</td>
<td>Perceived Organizational Support (X2)</td>
<td>0.627</td>
<td>0.60</td>
<td>Reliable</td>
</tr>
<tr>
<td>3.</td>
<td>Employee Retention (Y)</td>
<td>0.723</td>
<td>0.60</td>
<td>Reliable</td>
</tr>
<tr>
<td>4.</td>
<td>Employee Performance (Z)</td>
<td>0.823</td>
<td>0.60</td>
<td>Reliable</td>
</tr>
</tbody>
</table>
Based on the reliability test results table, it shows that all variables have a Cronbach's Alpha value greater than the minimum Cronbach's Alpha value, namely 0.60. So it can be concluded that the data obtained is reliable.

**Classical Assumption Test**

The classic assumption test is a test used to determine whether there are deviations in the data or not. Below we describe several parts of the classical assumption test:

**Normality Test**

The results obtained from normality testing using One Sample Kolmogrov-Smirnov were 0.064 > 0.05 so it can be concluded that the data is normally distributed.

**Multicollinearity Test**

<table>
<thead>
<tr>
<th>No.</th>
<th>Variable</th>
<th>Tolerance</th>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Career Development</td>
<td>0.303</td>
<td>3,296</td>
</tr>
<tr>
<td>2.</td>
<td>Perceived Organizational Support (POS)</td>
<td>0.663</td>
<td>1,509</td>
</tr>
<tr>
<td>3.</td>
<td>Employee Retention</td>
<td>0.317</td>
<td>3,157</td>
</tr>
<tr>
<td>4.</td>
<td>Employee performance</td>
<td>0.259</td>
<td>3,858</td>
</tr>
</tbody>
</table>

Source: Processed by Researchers
Based on the table above, it can be concluded that the tolerance and VIF values of the independent variables produce tolerance values below 10% and VIF values below 10. Therefore, in this regression model there is no correlation between the independent variables.

**Heteroscedasticity Test**

![Heteroscedasticity Test Figure](image.png)

**Figure 2. Heteroscedasticity test results**
Source: Processed by researchers

Based on the results in the image above, it shows that the dots are spread randomly and do not form a particular pattern. This shows that there is no indication of heteroscedasticity in the model.

**Linearity Test**

**Table 6. Linearity Test Results**

<table>
<thead>
<tr>
<th>No.</th>
<th>Variable</th>
<th>Sig. Deviation From Linearity</th>
<th>Sig.</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Career Development Employee Retention</td>
<td>0.76</td>
<td>0.05</td>
<td>Linear</td>
</tr>
<tr>
<td>2.</td>
<td>Perceived Organizational Support (POST)</td>
<td>0.175</td>
<td>0.05</td>
<td>Linear</td>
</tr>
<tr>
<td>3.</td>
<td>Employee performance</td>
<td>0.488</td>
<td>0.05</td>
<td>Linear</td>
</tr>
</tbody>
</table>

Source: Processed by researchers
Based on table 5, it can be seen that Sig. Deviation from linearity test for each variable is greater than the sig value, namely 0.05. Therefore, it can be concluded that there is a linear form between the dependent variable, independent variable and intervening variable.

Path Analysis
1. Sub Structure I
This sub structure is used to determine the influence of variables X to Z, or independent variables on intervening variables.

<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></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>5.740</td>
<td>2.077</td>
<td>2.763</td>
</tr>
<tr>
<td>CD</td>
<td>0.820</td>
<td>0.127</td>
<td>0.760</td>
<td>7.632</td>
</tr>
<tr>
<td>POS</td>
<td>0.135</td>
<td>0.134</td>
<td>0.109</td>
<td>1.090</td>
</tr>
</tbody>
</table>

$Z = a + + + \beta_1X_1\beta_2X_2 + e_1$

1) Constant value ($a$) = 5.740. This value means that the Career Development and Perceived Organizational Support (POS) variables are constant and there is no change with a constant Employee Performance value of 5.740.

2) Career Development coefficient value ($X_1$): $\beta_1 = 0.820$. This shows that the Career Development variable ($X_1$) is increased by one unit, so the Career Development ($X_1$) of PT employees. Graha Agung Perkasa will increase by 0.820 units.

3) Perceived Organizational Support (POS) coefficient value ($X_2$): $\beta_2 = 0.135$. This shows that if the Perceived Organizational Support (POS) variable ($X_2$) is increased by one unit, then the Perceived Organizational Support (POS) variable ($X_2$) for PT employees. Graha Agung Perkasa will increase by 0.135 units.

From the results of the model I path analysis it can be concluded that:
1. Career Development ($X_1$) has a value of $t_{count} < t_{table}$, namely 1.090 < 2.012. Therefore, it can be concluded that there is a significant influence of the Career Development variable ($X_1$) on Employee Performance ($Z$) or the hypothesis is accepted.

2. Perceived Organizational Support (POS) ($X_2$) has a value of $t_{count} < t_{table}$, namely 1.090 < 2.012. Therefore, it can be concluded that there is no significant influence of the Perceived Organizational Support (POS) variable ($X_2$) on Employee Performance ($Z$) or the hypothesis is rejected.
2. **Sub Structure II**

This sub structure is used to determine the influence of variables X and Z on Y, or from independent variables, and intervening variables on the dependent variable.

<table>
<thead>
<tr>
<th>Table 8. Sub Structure II</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td><em>Y</em> = ( \alpha + p_3X_1 + p_4X_2 + p_5Z + e )</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>= 3.379 + 0.500X1 + 0.435X2 + 0.182 + e2</td>
</tr>
</tbody>
</table>

1) Constant value (*\( \alpha \)*) = 3.379. This value means that the variables Career Development and Perceived Organizational Support (POS) are constant and there is no change with a constant Employee Retention value of 3.379.

2) Career Development coefficient value (X1): \( p_3 = 0.500 \). This shows that if the Career Development variable (X1) is increased by one unit, then the Career Development variable (X1) of PT employees. Graha Agung Perkasa will increase by 0.500 units.

3) Perceived Organizational Support (POS) coefficient value (X2): \( p_4 = 0.435 \). This shows that if the variable Perceived Organizational Support (POS) (X2) increased by one unit, then the variable Perceived Organizational Support (POS) (X2) from PT employees. Graha Agung Perkasa will increase by 0.435 units.

4) Employee Performance coefficient value (Z): \( p_5 = 0.182 \). This shows that if the variable Employee Performance (Z) increased by one unit, then the variable Employee Performance (Z) from PT employees. Graha Agung Perkasa will increase by 0.182 units.

The results of the model II path analysis can be concluded that:

1. Career Development (X1) has a value of tcount > ttable, namely 4.530 > 2.012. Therefore, it can be concluded that there is a significant influence of the Career Development variable (X1) on the Employee Retention variable (Y).

2. Perceived Organizational Support (POS) (X2) has a value of tcount > ttable, namely 5.056 > 2.012. Therefore, it can be concluded that there is a significant influence of the Perceived Organizational Support (POS) variable (X2) on the Employee Retention variable (Y).
3. Employee Performance (Z) has a value of $t_{count} > t_{table}$, namely $4.485 > 2.012$. Therefore, it can be concluded that there is a significant influence from the intervening variable Employee Performance (Z) on the dependent variable Employee Retention (Y).

**DISCUSSION**

**Influence of Career Development (X1) on Employee Performance (Z)**

Based on the results of the analysis that has been carried out, it can be concluded that the Career Development variable has a significant effect on employee performance. This proves that Career Development is successful through good employee performance among PT employees. Graha Agung Perkasa.

**The Influence of Perceived Organizational Support (POS) on Employee Performance (Z)**

Based on the results of the analysis that has been carried out, it can be concluded that the Perceived Organizational Support (POS) variable has a significant effect on employee performance. This proves that Perceived Organizational Support (POS) is successful through good employee performance among PT employees. Graha Agung Perkasa. The conclusion is that the company’s concern for its employees is one way to create positive perceptions among employees, this will have a big influence on improving employee performance in the company, and the company will also be able to achieve its goals.

**Influence of Career Development (X1) on Employee Retention (Y)**

Based on the results of the analysis tests carried out in this research, it can be concluded that career development has a significant effect on employee retention. The formation of career development is very necessary by considering various factors which will also influence employee retention for the company.
The Influence of Perceived Organizational Support (POS) \( (X_2) \) on Employee Retention \( (Y) \)

Based on the results of the analysis tests carried out in this research, it can be concluded that Perceived Organizational Support (POS) has a significant effect on employee retention. This means that the higher the organizational support for employees, the higher the level of employee retention in the company.

Effect of Employee Performance \( (Z) \) on Employee Retention \( (Y) \)

Based on the results of the analysis tests carried out in this research, it can be concluded that employee performance has a significant effect on employee retention. With a high level of employee productivity, work comfort will be created for these employees and this will also affect employee retention.

The Influence of Career Development \( (X_1) \) on Employee Retention \( (Y) \) Through Employee Performance \( (Z) \)

Based on the results of the data analysis that has been carried out, it is known that the direct influence of career development on employee retention is 0.500. Meanwhile, the indirect influence that career development has on employee retention through employee performance is 0.649. Therefore, it can be concluded that the indirect influence value is greater than the direct influence value. Meanwhile, the \( t \) count obtained through the statistical \( t \) test is 13.947, which means it is greater than \( t \) table, so the conclusion is that career development has a significant effect on employee retention through employee performance.

The Influence of Perceived Organizational Support (POS) \( (X_2) \) on Employee Retention \( (Y) \) Through Employee Performance \( (Z) \)

Based on the results of the data analysis that has been carried out, it is known that the direct influence of Perceived Organizational Support (POS) on employee retention is 0.435. Meanwhile, the indirect influence that Perceived Organizational Support (POS) has on employee retention through employee performance is 0.459. Therefore, it can be concluded that the indirect influence value is greater than the direct influence value. Meanwhile, the \( t \) count obtained through the statistical \( t \) test is 2.296, which means it is greater than \( t \) table, so the conclusion is that Perceived Organizational Support (POS) has a significant effect on employee retention through employee performance.

CONCLUSIONS AND RECOMMENDATIONS

The results of this research show that the variables Career Development, Perceived Organizational Support (POS), and employee performance have a significant effect on employee retention. The career development variable has a significant effect on employee performance, while Perceived Organizational Support (POS) has an effect but is not significant on
employee performance. The variables Career Development and Perceived Organizational Support (POS) have a significant effect on employee retention through employee performance.

Based on the results, discussion and conclusions explained above, researchers also provide suggestions for companies and further research. According to the test results above, the Perceived Organizational Support variable shows insignificant results, so PT. Graha Agung Perkasa must evaluate the work given to its subordinates and provide direct contributions and enthusiasm to improve employee performance. PT. Graha Agung Perkasa should also have clear and precise guidelines for the career development of each employee.

REFERENCES


