

The Effect Of Compensation and Organization Commitment towards Turnover Intention. Case Study in ILC (International Language Center) Jakarta

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Abstract—This study aims to determine the effect of compensation and organizational commitment towards turnover intention. The object of this research is the teacher of foreign language course ILC (International Language Center) that have two branches located in branch Mall of Indonesia and the Supermall Karawaci. The sampling technique used in this study is saturated sample with a total sample population of 54 respondents and statistical analysis of multiple linear regressions used as the data analysis. The results showed that the compensation variable has a significant negative effect on the turnover intention variable and organizational commitment variable also has significant negative effect on turnover intention variable.

Keywords: Compensation, Organizational commitment, Turnover intention

I. INTRODUCTION

Human resource is one factor that is very important and its role within the company cannot be liberated. Successful and corporate objectives can be achieved through the quality and performance of human resources that are managed properly, especially for companies who offers services. It also happened on the studied location which is foreign language courses foundation, ILC (International Language Center). ILC is an educational foundation that focuses on the teaching of twelve foreign languages. In contrast to the other foreign language course foundation, ILC provide twelve languages subject at one courses foundation. However, it is becoming the biggest demand of ILC teachers that have to be given to the students.

ILC can be arguably as a newcomer to the world of foreign language education, but its presence can be felt up to now. Due to its relatively new comers, there are many challenges to be faced by ILC in running the business, such as human resource issue relating with the teachers. Limited number of teachers, high-quality teachers requires compensation granted in accordance with their competence but the ability of the company's compensation is still not stable, and career path is not clear because the opportunity to become permanent employees and the advancement is still not defined, as well as less stable curriculum system because

the high turnover rate of teachers make learning arrangement becomes irregular.

This expressed directly by the principal of ILC Jakarta region which consists of two branches, ILC Mall of Indonesia, and ILC Supermall Karawaci in the pre-survey interviews conducted by the author.

TABLE I

NUMBER OF TEACHERS AND TURNOVER RATE IN ILC MALL OF INDONESIA BRANCH

Period	Mall of Indonesia	Number of teacher quit	Turnover rate
Jan 15	35	-	-
Feb – Jul 15	32	3	9%
Aug 15 – Jan 16	29	3	10%
Total turnover rate in 1 year			20%

Source: ILC employee data

TABLE II

NUMBER OF TEACHERS AND TURNOVER RATE IN ILC SUPERMALL KARAWACI BRANCH

Period	Supermall Karawaci	Number of teacher quit	Turnover rate
Nov 14	33	-	-
Des 14 – May 15	30	3	10%
Jun 15 – Feb 16	25	5	20%
Total turnover rate ± 1 year			30%

Source: ILC employee data

Looking at Table I and II, the turnover rate on two branches of ILC is very high. In Mall of Indonesia ILC within 1 year period the turnover rate is 20% where from a total of 35 teachers in the first period of January 2015 reduced to 29 teachers at the end of 2016, and in Supermall Karawaci ILC within the last 1 year 2 months period it reaches 30% by the number of 33 teachers at the beginning of November 2014 to 25 teachers at the end of 2016 period. According to Wirawan [1], a healthy turnover rate is below 15%. As for the turnover calculation formula is as follows:

$$\text{Monthly turnover} = \frac{\text{the amount of employee turnover}}{\text{average number of employee}}$$

$$\text{Yearly turnover} = \frac{\text{the amount of employee turnover after less than 1 year}}{\text{the amount of turnover in the same year}} \times 100\%$$

Wirawan [1] said that turnover is an employee quit from a company or organization and moves to another company for any reason. Turnover occurs because cognitive stages, which are thought to quit the job, intend to seek other employment alternatives, or intend to leave the job.

In certain cases, turnover is required by the company for employees with low performance. However, the turnover rate should be aligned so it is not too high in order for the company to have benefit or profit on improved performance of new employees so that operational activities remained stable and runs smoothly.

Because of the large impact that occurred in the company due to turnover that led to human resources problems, many researchers are analyze the problem and obtained some of the factors that can be done to reduce the turnover intention level din the company. Some of these factors are compensation and organizational commitment.

Compensation becomes one of the main requirements needed by an employee as a human being to make livings. The provision of compensation should be fair and equitable in order to create a conducive and productive working environment for the company. Mathis & Jackson [2] states that compensation is an important factor affecting how and why people working in a company and not in other companies.

As for some previous studies on the effect of compensation to the turnover made by Arin Dewi Putrianti, et al [3] stated that the compensation has a dominant positive influence on the turnover intention. Other studies conducted by Johannes, et al [4] stated that the compensation has higher effect on turnover intention.

Other factor that can trigger the behavior formation of an employee to leave the job (turnover intention) is organizational commitment. Wibowo [5] says that the organizational commitment is defined as willingness of some workers to remain as a member of the organization. Organizational commitment affects whether workers remain as a member of the organization or leave the organization and look for a new job.

Wibowo [5] also says in his book that organizational commitment is the feelings, attitudes, and behaviors of individuals identified themselves as part of the organization,

involved in the organization and be loyal to the organization in achieving organizational goals.

This shows that the organizational commitment will be established to increase attachment between individuals and organizations. Employee commitment to organization needs to be built in order to improve the attachment between the individual and the organization. Employees' commitment to the organization will make employees loyal to the organization and works well for the benefit of the organization [6].

According to previous studies conducted by Kadiman and Rr. Dian Indriana [7], stated that affective organizational commitment affect turnover intention. Then Hayuningtyas and Risca Fitria [8] observed that the compensation have significant and negative effect on turnover intention.

Based on the problem phenomenon occurring in the research location, various comparisons of previous studies and also based on a discussion of the compensation, organizational commitment and turnover intention factors, thus the authors are interested in doing further research with the title "Effect of Compensation and Organizational Commitment towards Turnover Intention in ILC (International Language Center)".

II. DEFINITION OF TERMS

A. Compensation

1) Definition

Compensation is an award or reward - directly or indirectly, a financial or non-financial – that are eligible to employees, in return for contributions or service to the achievement of organizational goals [9].

Compensation is remuneration or benefits granted to employees for their work. Compensation must correspond with the number and quality of jobs [10].

In general, according to Ulfatin, Nurul & Teguh Triwiyanto [11] compensation grouped into two:

- a. Financial Compensation, it can be divided into:
 - i) Direct Financial Compensation, it consists of payments obtained by a person in the form of salaries, wages and incentives.
 - ii) Indirect Financial Compensation, it is additional remuneration granted based on the organization discretion to all employees in an effort to improve their welfare. Among others: health benefits, holidays, and retirement savings.
- b. Non-Financial Compensation, it is remuneration in the form of employee satisfaction derived from the work or a comfortable working environment. Those classified as a psychic are a clear career path, the probability of continuity and Promotions.

2) Form and Type

According to Ulfatin, Nurul & Teguh Triwiyanto [11] the form and type of compensation can be explained as follows:

- a. Salaries and wages; commonly referred as the primary compensation because it is the main income for employees and their families.

- b. Incentives; seen as the reward given to motivate the employees so that their work productivity gets higher.
- c. Allowances; allowances given as additional salary or wages that serves to support their employees.
- d. Health insurance and welfare; that categorized as this type of compensation include: life insurance, medical expenses when sick, cooperatives (savings and loans), work-safety equipment, and so on.
- e. Career compensation; career rewards can in the form of safety in the workplace, the opportunity to get professional and position development, education and training, etc.
- f. Social compensation; which belong to this kind of compensation among others are: recognition and appreciation from the public, congratulations, cohesiveness among peers, smile, praise and appreciation for the communication.

B. Organizational Commitment

1) Definition

Mathis & Jackson [2] defined organizational commitment as the degree to which employees believe and accept the organization's goals and will stay or not leave his organization.

2) Dimension

Organizational commitment is multidimensional. Suparyadi [12] identified three dimensional model of organizational commitment, as follows:

1. **Affective commitment:** It is members' psychological level of attachment to the organization based on how well the feelings toward the organization. This kind of commitment emerged and developed by a boost of comfort, security, and other perceived benefits in an organization that is not obtained from other organizations.
2. **Normative commitment:** It is members' psychological level of attachment to the organization because of their moral obligation to maintain a connection in the organization. In the normative commitment, members stay and contribute to the organization to fulfill the duties and responsibilities, and driven by a moral obligation to meet the psychological contract they had agreed with the organization.
3. **Continuous commitment:** It is members' psychological level of attachment to the organization because of the costs they incur as a consequence if they quit from the organization. In the continuous commitment, the member will calculate the ratio between benefits that they receive with the sacrifice for their involvement in the organization.

C. Turnover Intention

1) Definition

According to Wirawan [1], turnover intention is tendency or intention of employees to quit his job voluntarily according to their own choice.

2) Type of Turnover

Type of Turnover Intention by Wirawan [1]:

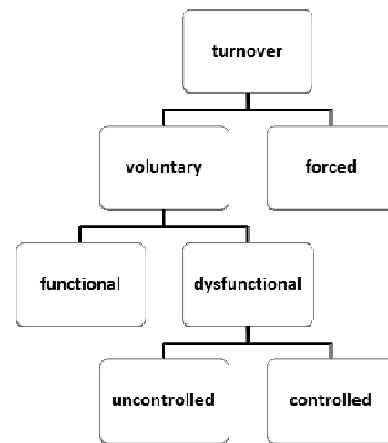


Fig. 1 Type of turnover

a. Voluntarily turnover

Employee leaves the company on his own will. It caused by many factors, including career opportunities, salary, supervision, geography and personal or family reasons.

- i) **Functional turnover:** Employee who has a low performance, less reliable individual, or those who disturb co-workers leave the organization.
- ii) **Turnover dysfunctional:** Important employee who has high performance leaves the organization at a crucial moment.

- **Uncontrolled turnover**

This type of turnover appears for reasons beyond the influence of the employer. There are many reasons for employees to quit that cannot be controlled by the organization, for example: employees moved from the geographical area, families, education.

- **Controlled turnover**

This appears due to factors that can be influenced by the employer. In the controlled turnover, organization is more able to maintain their employees if they handle the employee issues that can lead to turnovers.

b. Forced turnover

Discharge due to poor performance and violations of work regulations. Forced turnover driven by organizational policies, work regulation, and standard performance are not met by the employees.

III. FRAMEWORK AND HYPOTHESIS

The conceptual framework of the relation between compensation, organizational, and turnover intention in this study consisted of three variables, as follows:

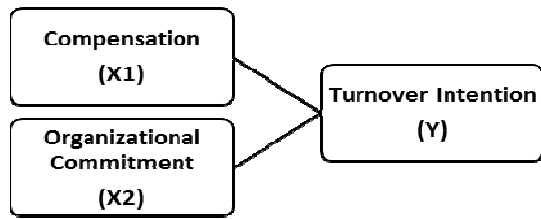


Fig. 2 Conceptual framework of research

Based on the problem formulation and the basic theory that has been described before, the hypothesis in this study are:

- H1: Compensation affects turnover intention
- H2: Organizational Commitment affects turnover intention

IV. RESEARCH METHODOLOGY

A. Time and Place of Research

This study began in March 2016 to July 2016, start from determining the location of research, identifying problems, observing the problems that occur in the research location by conducting interviews, formulating the problem, collecting theoretical bases to support the foundations and variables, preparing the research method, drafting instruments, until determining the statistical testing techniques that will be used.

Research location took place in the foreign language courses foundation, ILC (International Language Center), in its two branches scattered in the Jabodetabek region, namely:

1. ILC Mall of Indonesia branch is located at Jl. Raya Boulevard Barat, Kelapa Gading, North Jakarta.
2. ILC Supermall Karawaci branch is located at Jl. Boulevard Diponegoro, Tangerang (West Basement).

B. Research Design

In this study, the research design is based on the investigation type which is a causal research. Causal research interpreted as a causal relationship, in which the independent variables affect the dependent variable [13].

This study use qualitative approach, which is a research method based on the philosophy of positivism, used to examine the condition of scientific object conditions where the researcher is the key instrument.

Results of qualitative research emphasize more on the significance of the generalization. Qualitative research relies on natural background holistically, human positioning as a research tool, perform inductive data analysis, concerned more on the process rather than the results also conducted research result agreed upon by researchers and research subjects [13].

C. Measurement Scale

The measurement method used in this study is Likert scale. According to Sugiyono [13], Likert Scale is used to measure attitudes, opinions, and a person or group perception of social phenomenon.

Answer of every instrument item that uses Likert scale has a level from very positive to very negative. For the purposes of quantitative analysis, the answer can be given a score, for example:

- 5 Strongly Agree,
- 4 Agreed,
- 3 Less Agree,
- 2 Disagree,
- 1 Strongly Disagree.

D. Population and Sample

In this study, the studied population is teachers in the two branches of the ILC with the total of 54 respondents.

Sampling method used is the saturation sampling method (census). Definition of saturation sampling (census) is a sampling technique when all population member used as a sample. This is often done when a relatively small number of the population used, or research to make generalizations with a very small error [13].

V. RESULT AND DISCUSSION

A. Descriptive Analysis

1) Respondent's Characteristics

Characteristics of respondents based on gender divided into 2 (two) categories: Male and Female. Using these categories the validity calculation result based on gender in Mall of Indonesia and Supermall Karawaci ILC were obtained as follows:

TABLE III
TEACHER'S GENDER IN ILC

Gender	Frequency	Percent (%)	Valid percent	Cumulative percent
Valid	Male	19	35.2	35.2
	Female	35	64.8	100.0
	Total	54	100.0	100.0

Source: Questionnaire data calculated using SPSS 21

According to the table above, it can be seen that the gender of a total of 54 respondents were mainly female teachers as many as 35 teachers with a percentage of 64.8%, while the remaining teachers are male as many as 19 teachers with a percentage 35.2%. With this result it can be concluded the number of teachers as respondents in ILC (International Language Center) dominated by woman.

a. Respondent characteristic based on age

For the characteristics of respondents based on age, researcher divide them into 5 (five) categories of age, i.e. < 25 years, 26-30 years, 31-35 years, 36-40 years and > 41

years. Based on the age characteristics of the respondents, the validity calculation result was obtained as follows:

TABLE IV

AGE CHARACTERISTIC OF ILC TEACHER

Age	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	< 25	10	18.5	18.5
	26 – 30	17	31.5	50.0
	31 – 35	12	22.2	72.2
	36 – 40	8	14.8	87.0
	> 41	7	13.0	100.0
Total	54	100.0	100.0	

Source: Questionnaire data calculated using SPSS 21

Based on the table above, it is known that the age of a total of 54 respondents are as many as 10 respondents (18.5%) < 25 years old, 17 respondents (31.5%) 26-30 years old, 12 respondents (22.2%) 31-35 years old, 8 respondents (14.8%) 36-40 years old, and 7 respondents (13.0%) > 41 years old. It can be concluded the respondents' age in the ILC mostly in the age 26-30 years old.

b. Respondent characteristic based on length of work

Based on the respondents working length, researcher divides the respondent into three categories: 1-6 months, 7-12 months and <2 years. From table 4.3 below can be seen the percentage of teachers working length in ILC (International Language Center).

TABLE V

WORK LENGTH CHARACTERISTIC OF ILC TEACHER

Work length	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-6 months	8	14.8	14.8
	7 – 12 months	21	38.9	53.7
	< 2 years	25	46.3	100.0
	Total	54	100.0	100.0

Source: Questionnaire data calculated using SPSS 21

Based on the above table it can be seen that the work length of a total 54 respondents at the ILC as many as eight teachers (14.8%) with work length around 1-6 months, 21 teachers (38.9%) with work length around 7-12 Months, and 25 teachers (46.3%) worked for < 2 years. With this information the most dominant work length on respondents working in the ILC is more than 2 years.

c. Respondent characteristic based on latest education

Based on respondents' education level, researchers divide it into 4 (four) categories: high school/vocational

school/equivalent, Diploma (D1 / D2 / D3), Bachelor degree and Master degree. At Table 4.4 below can be seen the latest education percentage of teachers in ILC.

TABLE VI

LATEST EDUCATION CHARACTERISTIC OF ILC TEACHER

Latest education	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	high school/vocational school/equivalent	2	3.7	3.7
	Diploma	13	24.1	27.8
	Bachelor	36	66.7	94.4
	Master	3	5.6	100.0
	Total	54	100.0	100.0

Source: Questionnaire data calculated using SPSS 21

Based on the table, it is known that the latest education of total 54 respondents are high school/vocational school/equivalent as many as 2 teachers (3.7%), a diploma as many as 13 teachers (24.1%), bachelor as many as 36 teachers (66.7%), and master as many as 3 teachers (5.6%). These data showed that the majority of respondents working in the ILC (International Language Center) have bachelor educational background.

2) Descriptive of Questionnaire Answers

Descriptive statistics test are used to interpret the average value, highest value, lowest value, and the standard deviation of the compensation, organizational commitment, and turnover intention variables. From the statistical data obtained in this study, can be explained that out of the 26 Point questions instruments given to the 54 respondents as a test the results are as follows:

a. Descriptive test of questionnaire answers for compensation variables

TABLE VII
QUESTIONNAIRE FOR COMPENSATION VARIABLE

Compensation Questionnaire	N	Min	Max	Mean	Std. Deviation
	Statistic	Statistic	Statistic	Statistic	Statistic
Salaries, wages or incentives given meet my needs.	54	2	5	3,31	0,928
Salaries, wages or incentives given in accordance with my job and responsibility	54	2	5	3,19	0,973
Company always gives	54	1	3	2,19	0,479

salaries, wages or incentives on time					
Company provides allowance in line with expectations	54	2	5	2,63	0,653
I am satisfied with the social security provided by the company	54	2	5	3,13	0,551
I get a proper appreciation for my work.	54	2	4	3,06	0,492
I feel appreciated personally	54	3	5	3,30	0,603
I get the available facilities and infrastructure	54	3	5	3,46	0,605
The Company provides an opportunity for career and work.	54	2	4	2,74	0,589
N Valid (list wise)	54				

Source: Questionnaire data calculated using SPSS 21

Based on the table, out of 9 instrument questions for compensation variable, the highest mean value contained in the statement "I get the available facilities and infrastructure" that is equal to 3.46 with standard deviation value of 0.605 and the highest answer score is 5 (strongly agree) and the lowest score is 3 (less agree).

While the lowest mean value of the 9 instrument questions on the question "Companies always provide salaries, wages, or incentive on time" equal to 2.19 with standard deviation value of 0.479 and the highest answer score is 3 (less agree) distributed normally.

b. Descriptive test of questionnaire answers for organizational commitment variables

**TABLE VIII
QUESTIONNAIRE FOR ORGANIZATIONAL
COMMITMENT VARIABLE**

Organizational Commitment Questionnaire	N	Minimum	Maximum	Mean	Std. Deviation
	Statistic	Statistic	Statistic	Statistic	Statistic
I feel I have a strong emotional bond with the company I work for.	54	2	5	3,09	0,652
I get a sense of comfort and safety in the company's work.	54	2	5	3,28	0,811
I am proud of the company I work for	54	2	4	2,59	0,63
I doubt my ability in other company	54	2	4	3,11	604
I want to give my best job for the company	54	3	5	3,06	0,302
I feel the importance of loyalty is a moral obligation to continue working in the company.	54	3	4	3,28	0,452
For me the employee who is loyal to the company will have a better impact on the career	54	3	4	3,39	0,492
Staying in this company is more profitable.	54	2	5	2,74	0,805
My needs will be disturbed if I leave the company.	54	2	4	2,81	0,438
I want to annihilate the rest of my career at this company.	54	2	3	2,17	0,376
I feel it will have little choice if leave this company	54	2	5	2,81	0,456
N Valid (listwise)	54				

Source: Questionnaire data calculated using SPSS 21

Based on the table, it can be seen instrument questions for organizational commitment variables reach the highest mean value in the statement "For me the employee who is loyal to the company will have a better impact on the career" equal to 3.39 with standard deviation value of 0.492 and have normal distribution. The lowest mean value is for the question "I want to annihilate the rest of my career at this company" which equal to 2.17 with standard deviation value 0.376 and it is normally distributed.

c. Descriptive test of questionnaire answers for turnover intention variables

**TABLE VIII
QUESTIONNAIRE FOR TURNOVER INTENTION
VARIABLE**

Turnover intention questionnaire	N	Minimum	Maximum	Mean	Std. Deviation
	Statistic	Statistic	Statistic	Statistic	Statistic
I often think to leave the company where I work	54	2	4	2,65	0,731
I often think to work in a better company than the company I am now	54	2	5	2,96	1,027
I plan to move to another company in the near future	54	2	4	2,50	0,541
I feel this cannot grow in the company.	54	2	4	2,59	0,687
I am bored with my current position and plan to look for a new one.	54	2	4	2,70	0,792
I want to find a great deal of experience in various companies	54	2	3	2,50	0,505
N Valid (listwise)	54				

Source: Questionnaire data calculated using SPSS 21

On the table, instrument questions for turnover intention variable have the highest mean value in the statement "I often think to work in a better company than the company I am now" that is equal to 2.96 with standard deviation value of 1.027 and normally distributed. The lowest mean value is for the "I want to find a great deal of experience in various companies" question amounting to 2.50 with standard deviation value 0.505 and also with normal distribution.

B. Data Quality Test

1) *Validity Test*

**TABLE IX
VALIDITY TEST FOR COMPENSATION VARIABLE**

Indicator	R count	R critical	Note
Salaries, wages or incentives given meet my needs.	0,927	> 0,3	Valid
Salaries, wages or incentives given in accordance with my job and responsibility	0,880	> 0,3	Valid
Company always gives salaries, wages or incentives on time	0,636	> 0,3	Valid

Company provides allowance in line with expectations	0,696	> 0,3	Valid
I am satisfied with the social security provided by the company	0,714	> 0,3	Valid
I get a proper appreciation for my work.	0,709	> 0,3	Valid
I feel appreciated personally	0,761	> 0,3	Valid
I get the available facilities and infrastructure	0,885	> 0,3	Valid
The Company provides an opportunity for career and work.	0,744	> 0,3	Valid

Source: Questionnaire data calculated using SPSS 21

**TABLE X
VALIDITY TEST FOR ORGANIZATIONAL
COMMITMENT VARIABLE**

Indicator	R count	R critical	Note
I feel I have a strong emotional bond with the company I work for.	0,717	> 0,3	Valid
I get a sense of comfort and safety in the company's work.	0,817	> 0,3	Valid
I am proud of the company I work for	0,833	> 0,3	Valid
I doubt my ability in other company	0,752	> 0,3	Valid
I want to give my best job for the company	0,447	> 0,3	Valid
I feel the importance of loyalty is a moral obligation to continue working in the company.	0,642	> 0,3	Valid
For me the employee who is loyal to the company will have a better impact on the career	0,831	> 0,3	Valid
Staying in this company is more profitable.	0,877	> 0,3	Valid
My needs will be disturbed if I leave the company.	0,527	> 0,3	Valid
I want to annihilate the rest of my career at this company.	0,511	> 0,3	Valid
I feel it will have little choice if leave this company	0,802	> 0,3	Valid

Source: Questionnaire data calculated using SPSS 21

**TABLE XI
VALIDITY TEST FOR TURNOVER INTENTION
VARIABLE**

Indicator	R count	R critical	Note
I often think to leave the company where I work	0,953	> 0,3	Valid
I often think to work in a better company than the company I am now	0,956	> 0,3	Valid
I plan to move to another company in the near future	0,921	> 0,3	Valid
I feel this cannot grow in the company.	0,950	> 0,3	Valid
I am bored with my current position and plan to look for a new one.	0,951	> 0,3	Valid

I want to find a great deal of experience in various companies	0,969	> 0,3	Valid
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Source: Questionnaire data calculated using SPSS 21

From the three tables above can be seen the calculation of validity test on compensation, organizational commitment and turnover intention variables with a correlation value of each indicator greater than 0.3. It can be concluded that the questions on the questionnaire that was tested already valid or feasible to define the turnover intention variable.

2) *Reliability Test Result*

TABLE XII

RELIABILITY TEST RESULT

Variable	Cronbach's Alpha	R critical	Note
Compensation (X1)	0,912	> 0,6	Reliable
Organizational commitment (X2)	0,903	> 0,6	Reliable
Turnover Intention (Y)	0,966	> 0,6	Reliable

Source: Questionnaire data calculated using SPSS 21

In the table shows that Cronbach's Alpha value of each variable in accordance with the provisions required ie > 0.6, so it can be said that the questions construct for every variables, that are compensation, organizational commitment, and Turnover Intention, expressed reliable.

C. *Classic Assumption Test*

1) *Normality Test*

Based on Table of Normality Test results using Kolmogorov-Smirnov Test the sig. value amounted 0.182, which means the value is greater than 0.05. With > 0.05 then Ho is accepted. It can be concluded that the residual data are normally distributed and the regression model has meet the assumptions of normality.

TABLE XIII

ONE-SAMPLE KOLMOGOROV-SMIRNOV TEST

		Unstandardized Residual
N		54
Normal Parameters ^{a,b}	Mean	,0000000
	Std. Deviation	2,43402711
Most Extreme Differences	Absolute	,149
	Positive	,112
	Negative	-,149
Kolmogorov-Smirnov Z		1,094
Asymp. Sig. (2-tailed)		,182

a. Test distribution is Normal.

b. Calculated from data.

2) *Multicollinearity Test*

In table XV can be seen the result of tolerance value calculation that shows each independent variable has a tolerance value greater than 0.10, which is 0.433. The VIF calculation results also showed each independent variable have a VIF value 2.309 (less than 10). We can conclude that there is no multicollinearity between independent variables in the regression model.

TABLE XIV

MULTICOLLINEARITY TEST RESULT

coefficients^a

Model	Collinearity Statistics	
	Tolerance	VIF
1 (Constant)		
Compensation	,433	2,309
Organizational commitment	,433	2,309

a. Dependent Variable: Turnover Intention

3) *Heteroscedasticity Test*

Figure 1.1 shows the result of heteroscedasticity test. The diagram did not form a regular pattern, so it can be concluded that there is no heteroscedasticity in regression models, and fit for prediction usage.

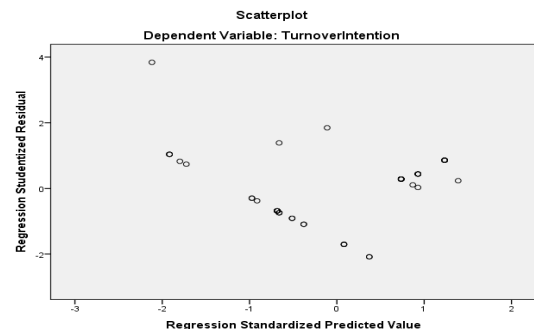


Fig. 3 Scatterplot of heteroscedasticity

D. *Goodness of Fit Test*

1) *Coefficient of Determination (R²) Test*

The Coefficient of Determination (R²) test results on the table shows the value of 0.629, which means 62.9% employees turnover intention variation explained by the variation of the two independent variables (compensation and organizational commitment). While the remaining 37.1% is explained by causes other than this study.

TABLE XV
R² TEST RESULT

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,802 ^a	0,643	0,629	2,481

a. Predictors: (Constant), KomitmenOrganisasi, Kompensasi

b. Dependent Variable: TurnoverIntention

E. Hypotheses Test

1) *F-Test*

TABLE XVI
F-TEST RESULT

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	564,539	2	282,270	45,847	,000 ^b
	Residual	313,998	51	6,157		
	Total	878,537	53			

a. Dependent Variable: Turnover Intention

b.Predictors: (Constant), KomitmenOrganisasi, Kompensasi

Based on Table XVII, F value is 45.847 and the probability is 0.000. By determining F-table and using a 95% confidence level, $\alpha = 0.05$ with Df1 value = 3 - 1 = 2 and Df2 = 54 - 3 = 51, obtain results for F-table value is 3.18. The table above shows that the value of F-count in the amount of 45.847 > F-table of 3.18 with profitability 0.000 < 0.05. Concluded the regression model can be used to predict turnover intention or in other words the model is accurate.

2) *T-Test*

TABLE XVII
T-TEST RESULT

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	38,536	2,428		15,871	0,000
	Compensation	-0,315	0,111	-0,36	-2,831	0,007
	Organizational commitment	-0,437	0,112	-0,495	-3,889	0,000

a. Dependent Variable: TurnoverIntention

Based on Table 4.17 obtained regression equation:

$$Y_1 = 38.536 - 0.315 - 0.437$$

With the compensation t-count value of -2.831 while t-table at a significance level of 0.05 for the two sides test Df = n - k (54 - 3 = 51) is 2.00758 so that t-count -2.831 < t-table 2.00758 with a probability of significance 0.007 < 0.05. This shows that the compensation variable have significant and negative effect on turnover intention.

Retrieved Organizational Commitment t- count value of -3.889 < t-table 2.00758 with a probability of significance 0.000 < 0.05. This shows that the organizational commitment variable also has significant and negative effect on turnover intention.

VI. RESULT

A. Effect of Compensation on Turnover Intention

Based on the results of hypothesis testing, it is known that the compensation variable gain significant probability value of 0.007 (< 0.05) with a coefficient of -0.315, which means if the compensation increased by 1 unit then the turnover intention will decrease by 0.315 because compensation variable have negative and significant effect on turnover intention of the ILC (International Language Center) teachers. This result is in accordance with research conducted by Arin Dewi Putrianti et al [3] which states that the compensation dominantly gives negative and significant effect on the turnover intention of PT. TIKI Line Ekakurir Nugraha, Malang.

B. EFFECT OF ORGANIZATIONAL COMMITMENT ON TURNOVER INTENTION

Based on the hypothesis testing result can be known organizational commitment variable gain significant probability value of 0.000 (< 0.05) with coefficient of -0.437, which means when the organization's commitment increase by 1 unit of the turnover intention will decrease by 0.437 so that it can be stated that the organization commitment gives significant and negative effect on turnover intention within teachers in ILC (International Language Center). When the organization's commitment has decreased the turnover intention level in ILC will increase and vice versa. It is also agreed with Kadiman and Rr. Diana Indriana [7] research that states Affective commitment, sustainability commitment and normative commitment equally give significant and negative effect on turnover intention.

VII. CONCLUSION AND RECOMMENDATIONS

A. Conclusion

Based on the results of hypothesis testing, it is known that the compensation variable gain significant probability value of 0.007 (< 0.05) with a coefficient of -0.315, which means if the compensation increased by 1 unit then the turnover intention will decrease by 0.315 because compensation variable have negative and significant effect on turnover intention of the ILC (International Language Center) teachers. This result is in accordance with research conducted by Arin Dewi Putrianti et al [3] which states that the compensation dominantly gives negative and significant effect on the turnover intention of PT. TIKI Line Ekakurir Nugraha, Malang.

Based on the analysis result presented in the previous chapters in this study, it can be drawn some conclusions as follows:

1. On the hypothesis testing results showed that the compensation variable has significant and negative effect on turnover intention happened in ILC (International Language Center).
2. On the hypothesis testing results showed that the organizational commitment variable has significant and negative effect on turnover intention happened in ILC (International Language Center).

B. Suggestion

Based on the research results and conclusions in this study, it is expected the manager to pay attention to the compensation granted system. As for some advice in this study are as follows:

1. Managers need to improve the compensation system in order to avoid delays, and increase interest in turnover.
2. Managers need to provide opportunities for teachers in career and grow, by providing certainty worker status for teachers who are contributing both to the company and provide increased benefits to the company.
3. Managers need to provide benefits in accordance with the expectations of the teacher, but also need to be concerned in the distribution in order to not harm the company.

Based on the hypothesis testing result, organizational commitment is an influential factor on turnover intention happened at the ILC. Therefore the company should pay more attention to the organizational commitment level owned by the teachers. As for some advice from the researcher in this study are as follows:

1. Managers need to focus on developing trust and loyalty of teachers to build organizational commitment.
2. Managers need to provide training or seminars and other positive activities to build and grow the teacher's perception about the loyalty function and pride also love for the company.
3. Managers need to provide teachers with certainty for careers and set themselves up to make a full contribution to the company, so that the commitments already grow on the teachers will continue to increase and decrease their intention to quit.

For further research, researchers should add other variables that are not in this study such as leadership style, discipline, work environment, organizational culture, and so on. So that further studies will be more perfect and provide more information.

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