THE EFFECT OF JOB STRESS AND ORGANIZATIONAL CLIMATE ON TURNOVER INTENTION WITH JOB SATISFACTION AS A MEDIATION VARIABLE

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Abstract

This study explores the influence of work stress and organizational climate on turnover intention by considering the role of job satisfaction as a mediator. Through analysis of 135 respondents from several housing development companies in Pekanbaru City, using the Simple Random Sampling method, we found that work stress has a positive and significant influence on the desire to change jobs. Apart from that, job satisfaction has also been proven to mediate the relationship between job stress and turnover intention. The results also show that organizational climate has a negative and significant influence on turnover intention, however, job satisfaction also mediates the relationship between organizational climate and desire to change jobs. Proposed suggestions include expanding mental wellbeing support programs to deal with work stress, improving communication between management and employees to improve organizational climate, implementing balanced work policies to increase job satisfaction, and conducting interviews to identify key factors that drive turnover intention.

Keywords: Job Stress, Organizational Climate, Job Satisfaction and Turnover Intention.

1. Introduction

The housing industry sector in Indonesia has experienced positive and increasing growth in the last few decades. In the beginning, Indonesia faced simple housing and many people lived in simple traditional houses. However, as post-Covid economic growth tends to stabilize, rapid urbanization and social changes, demand for modern and affordable housing is increasing. The property price index shows a positive trend from year to year, this is an opportunity for housing development companies to provide people's needs in the form of residential housing. This condition encourages the growth of the housing industry, with many property developers investing in housing projects in various regions in Indonesia.

Housing sales in the property business world are a crucial aspect that influences the success of development companies. In order to increase the optimization of housing sales and face competitive challenges, several development companies choose to recruit employees on contract status. Contract employee status provides flexibility for the company in managing its workforce according to project needs and changing market conditions. These employees move from project to project because they are hired for special seasonal needs, peak hours, and unexpected spikes or increases in demand (Malik, 2017). When hiring contract employees, companies can avoid the long-term obligations associated with permanent employees, such as allowances and other benefits. Therefore, they may hire employees on short-term contracts, which are usually tied to the duration of a particular development project. Following.

Table 1. Number of Company Contract Employees

<table>
<thead>
<tr>
<th>No.</th>
<th>Company name</th>
<th>Number of employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>EASTONS Pekanbaru</td>
<td>40 people</td>
</tr>
<tr>
<td>2</td>
<td>Ray White Pekanbaru</td>
<td>25 people</td>
</tr>
</tbody>
</table>
The decision to recruit employees on contract status also has several challenges. Contract employees may tend to have lower loyalty to the company due to a lack of long-term job security. In line with this, it is possible that high turnover in a company is mostly carried out by contract employees, as in research conducted by Singh et al. (2019), the results of our research show that companies that have high levels of employee turnover tend to use contract workers more often. Another study in the United States conducted by Lee et al. (2021) stated that the results of empirical studies indicate that the use of external contract workers has a direct positive effect on the level of employee turnover intentions. Increased external contracting activity in federal agencies will cause more employees to report their intent to leave their jobs and move to other workplaces.

High turnover is also supported if the company tends to pay less attention to the psychological condition of its employees, which results in work stress experienced by its employees. Research conducted by Kachi et al. (2020) uses turnover data and confirms that job stress increases the risk of turnover for employees working in Japan. Job stress is an adverse physical or emotional response that occurs when job requirements do not match the employee's abilities, resources, and needs (Yu et al., 2021). This phenomenon of work stress, high housing sales is the main goal of development companies recruiting their employees. Therefore, many companies set ambitious sales targets for their employees. The following sales targets and their realization for several housing development companies in Pekanbaru City in the 2019 - 2022 period can be seen in Table 2

<table>
<thead>
<tr>
<th>No.</th>
<th>Company name</th>
<th>Number of employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Sekai Property</td>
<td>30 people</td>
</tr>
<tr>
<td>4</td>
<td>Ark Mrs Property</td>
<td>35 people</td>
</tr>
<tr>
<td>5</td>
<td>Bestlink Property</td>
<td>30 people</td>
</tr>
<tr>
<td>6</td>
<td>Muse Property</td>
<td>40 people</td>
</tr>
</tbody>
</table>

Source: DPD REI Pekanbaru 2023

Table 2. Housing Sales Target Data in Pekanbaru City 2020 to 2022 (Per Unit)

<table>
<thead>
<tr>
<th>No.</th>
<th>Company Name</th>
<th>2020 Target</th>
<th>2020 Realization</th>
<th>2021 Target</th>
<th>2021 Realization</th>
<th>2022 Target</th>
<th>2022 Realization</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>EASTONS Pekanbaru</td>
<td>360</td>
<td>360</td>
<td>370</td>
<td>357</td>
<td>365</td>
<td>350</td>
</tr>
<tr>
<td>2</td>
<td>Ray White Pekanbaru</td>
<td>85</td>
<td>88</td>
<td>95</td>
<td>80</td>
<td>90</td>
<td>82</td>
</tr>
<tr>
<td>3</td>
<td>Sekai Property</td>
<td>170</td>
<td>165</td>
<td>175</td>
<td>140</td>
<td>160</td>
<td>154</td>
</tr>
<tr>
<td>4</td>
<td>Ark Mrs Property</td>
<td>185</td>
<td>188</td>
<td>190</td>
<td>157</td>
<td>170</td>
<td>162</td>
</tr>
</tbody>
</table>
According to Table 2, it can be seen that the targets given by the company and the actual sales data are less than optimal. Based on Table 4, it can also be assumed that many housing development companies do not achieve the sales targets that have been set each year. Setting high targets can also have negative impacts, especially if employees cannot meet these targets. When employees face unrealistic or too high targets, they can experience high pressure and stress in achieving them. In accordance with research conducted by Olubiyi et al. (2019) High employee turnover rate of turnover intention, is often encountered in sectors like this and can cause operational disruption due to constantly changing employees.

Level turnover In several housing development companies, this can be seen based on data regarding the number of employees who left the company in a certain period. In this research, the researcher will focus on all employees of the housing development company that the researcher has described above by collecting data in the last year, namely the period May 2022 to 2022. May 2023. The following number of employees leaving several housing development companies in Pekanbaru City can be seen in Table 3.

Table 3. Data Turnover At the Company Housing Development Sector in Pekanbaru City for the Period 2022 - 2023

<table>
<thead>
<tr>
<th>No.</th>
<th>Company name</th>
<th>Number of Employees Leaving</th>
<th>Turnover Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>EASTONS Pekanbaru</td>
<td>6 people</td>
<td>6/40 x 100 = 15</td>
</tr>
<tr>
<td>2</td>
<td>Ray White Pekanbaru</td>
<td>4 people</td>
<td>4/25 x 100 = 16</td>
</tr>
<tr>
<td>3</td>
<td>Sekai Property</td>
<td>5 people</td>
<td>5/30 x 100 = 16</td>
</tr>
<tr>
<td>4</td>
<td>Ark Mrs Property</td>
<td>6 people</td>
<td>6/35 x 100 = 17</td>
</tr>
<tr>
<td>5</td>
<td>Bestlink Property</td>
<td>4 people</td>
<td>4/30 x 100 = 13</td>
</tr>
<tr>
<td>6</td>
<td>Muse Property</td>
<td>7 people</td>
<td>7/40 x 100 = 17,5</td>
</tr>
</tbody>
</table>

Source: Observations and Interviews
Normal employee turnover is said to range between 5-10 percent per year and is said to be high if it is more than 10 percent per year (Margaretta & Riana, 2020) whereas based on Table 5 the employee turnover rate is above 10 percent per year. Therefore, the turnover rate in some of these companies is relatively high. This can be caused by pressure to achieve high targets which causes stress in employees. According to research conducted by Salama et al. (2022) on hotel employees in Saudi Arabia where the research results show that work stress has a significant positive effect on intention to change jobs or turnover intention in a company. Another study was also conducted by Liu et al. (2019) on rural health workers in China where the results of the study revealed that work stress had an indirect and positive effect on turnover intention among rural health workers in China. If turnover is high, the negative impact will have an impact on employee performance and overall company productivity because the departure of a high-performing employee can have a significant negative impact on the company itself (Lazzari et al., 2022).

A high turnover rate in a company is not only caused by work stress, but can also be influenced by a bad organizational climate. According to Chen & Huang (2007) organizational climate includes general practices, shared beliefs, and value systems followed by an organization as a whole. For employees in an organization, organizational climate refers to a set of attributes and expectations that describe the overall pattern of organizational activities that influence the work environment and company culture. An unhealthy or unsupportive organizational climate can lead to high turnover rates due to its impact on employee satisfaction and well-being. According with research by Lazzari et al. (2022) that a poor organizational climate, characterized by problems such as lack of communication, workplace conflict, low employee engagement, and decreased productivity, can contribute to high levels of employee turnover.

An organizational climate that does not support employee growth and development can also contribute to high turnover rates. This is in line with research conducted by Raharso (2021) which found that lack of opportunities for career development was one of the reasons for employee turnover. When employees feel they do not have opportunities to learn and develop within the company, they may seek better career opportunities elsewhere that offer better development opportunities. Research conducted by Ryu et al. (2020) regarding organizational climate and turnover intention stated that when the organizational climate is supportive or cooperative, such as a fire company in Korea, the risk of employees having the intention to change jobs will be reduced. Research conducted by Pranata & Utama (2019) states that organizational climate has a negative effect on employee turnover intention. The better the level of organizational climate a company has, the lower the turnover rate in a company will be. In line with this, research conducted by Hao & Wang (2022) found that based on regression results, a supportive organizational climate had a significant negative effect on employee turnover intentions. It also shows that when companies create a supportive type of organizational climate for employees, this can significantly reduce the idea of employees wanting to leave the company.
High work stress and poor organizational climate are two aspects that are interrelated and can have a serious impact on job satisfaction. According to Permana et al. (2021) job satisfaction is not how hard or how well someone works, but how much people like the job. This assessment can be considered as one of the important values in work. Satisfied employees like their work situation more than those who don't. A supportive and good work climate will produce a positive relationship with job satisfaction and reduce work stress in employees. Ranjabar et al. (2019). Based on research conducted by Askiyanto et al. (2018) found that workload, work stress, and organizational climate had a direct influence on employee turnover intentions through job satisfaction as a mediating variable. In line with this research, there is another research conducted by Liu et al. (2019) regarding this phenomenon where the research found that work stress, organizational climate, and work environment simultaneously had a significant influence on job turnover intentions. Job stress is the most significant variable in influencing job turnover intentions.

Housing development is happening quite rapidly at the moment and many housing development companies recruit employees with contract employee status which is more likely to result in turnover intention in the company. Therefore, the object of this research is housing development companies in Pekanbaru City. The reason for choosing this research object is because housing development companies in Pekanbaru City have problems or phenomena that are relevant to the research topic. Thus, the author submits a research with the title, "The Influence of Job Stress and Organizational Climate on Turnover Intention with Job Satisfaction as a Mediating Variable (Case Study of a Housing Development Company in Pekanbaru City)"

2. Library Study
   2.1 Job Stress
   Job stress is a complex phenomenon involving psychological tension or pressure experienced by individuals in the context of the work environment. Factors that trigger job stress include excessive workload, tight deadlines, interpersonal conflict, role ambiguity, and a mismatch between individual abilities and job demands. High work stress often causes a decrease in job satisfaction because individuals feel dissatisfied with the work environment which creates excessive pressure. This can result in unfavorable working conditions, an imbalance between work and personal life, conflict with coworkers, and a lack of recognition for efforts made, all of which can lead to job dissatisfaction.

   High job stress and low job satisfaction usually correlate with increased turnover intention, where individuals tend to look for other job opportunities and consider moving to another company. Meanwhile, high job satisfaction can reduce turnover intention by helping individuals feel more satisfied and engaged with their current job.

   Various definitions of work stress have been proposed by various researchers. For example, Zainal (2017) defines work stress as an individual's emotional and psychological reaction to a situation where their goals are blocked and difficult to overcome. Meanwhile, Dewi (2016) defines work stress as an individual's reaction to the characteristics of the work environment, including threats that may be faced at work. Manurung and Ratnaewati (2012), as well as Putra & Mujianti (2019), stated that work stress can cause employees to get sick or even resign if not handled properly.

   Thus, work stress can be defined as a psychological condition that arises due to excessive work demands, interpersonal conflict, lack of social support, or other factors related to work. The impact can affect employees' physical and mental well-being and potentially affect their productivity and performance at work.

2.2 Organizational Climate
   According to Keith Davis & John W. Newstrom (as quoted in Ranjabar, 2021), organizational climate is the environment in which employees do their work. This understanding includes the environment in a particular department, company unit, or organization as a whole. Although not visible or touchable, organizational climate has a significant influence on all activities within the organization, similar to the indoor air that surrounds it. Organizational
climate is influenced by various factors that occur within the organization.

According to Gibson & Donelly (as quoted in Saputra & Rahardjo, 2017), organizational climate is the nature of the psychological environment in an organization that is felt by employees and is considered to influence their attitudes and behavior towards work. This suggests that employees' perceptions of their work environment will impact how they view and respond to their work.

According to Lussier (as quoted in Hariani et al., 2019), organizational climate is the perception of employees regarding the relative quality of the organization's internal environment that they feel, and will influence their subsequent behavior. It emphasizes that how employees perceive their work environment will influence the way they act and behave in the organizational context.

2.3 Job Satisfaction

According to Locke (as quoted in Luthans in Kaswan, 2019: 282), job satisfaction is a positive emotional state that comes from individuals' assessment of their work or work experience. Locke emphasized that feelings of job satisfaction or dissatisfaction reflect individuals' interpretations of their current and previous work experiences, rather than their expectations for the future.

Meanwhile, according to Hamali (2018: 103), job satisfaction is an individual's positive attitude towards their work that emerges based on an assessment of the work situation. This is in line with the view of Hasibuan (2021: 202), who defines job satisfaction as a pleasant and loving emotional attitude towards work.
Thus, it is important for companies to pay attention to employee job satisfaction in order to achieve performance optimization. Job satisfaction not only affects individual employees, but also impacts overall organizational performance. Therefore, efforts to increase employee job satisfaction must be a priority for companies because they can contribute to overall company performance.

2.4 Turnover Intention
Turnover intention is a concept commonly used in the fields of human resources and organizational psychology to describe a person's tendency to leave a job or the organization in which they work. This reflects the individual's intention to end the employment relationship with the organization and seek other employment opportunities. Turnover intention is often considered an early indicator that someone may be dissatisfied with their job or with working conditions in the organization.

There are several factors that can influence turnover intention, and these factors are interrelated. Some of these factors include age, tenure or length of work, level of commitment to the organization, job satisfaction, and ethical climate in the workplace. Mobley (as quoted in Nasution, 2017) identified three indicators used to measure turnover intention, namely thoughts of quitting, desire to leave work (intention to quit), and desire to look for another job (intention to search for another job). This shows that turnover intention can be reflected in individuals' thoughts, desires and intentions to leave their jobs and look for new job opportunities.

2.5 Framework of Thinking
Good management of human resources or what is known as employees really determines the success of a company. If level turnover in a company is low then employee job satisfaction in that company is guaranteed. There are several indicators that cause job satisfaction for employees, namely, work stress and organizational climate.

In this study there are exogenous variables which include work stress (X₁) and organizational climate (X₂). Apart from exogenous variables, there is also one endogenous variable, namely turnover intention (Y) as well as mediating variables or variables that influence exogenous and endogenous variables, namely job satisfaction (Z). Based on the framework above, the scheme in this research is as follows.
The Effect of Job Stress and Organizational Climate on Turnover Intention with Job Satisfaction as a Mediation Variable

Hypothesis

1. The Effect of Job Stress on Turnover Intention

This research adopts Equity Theory to understand work stress, which highlights the perception of injustice between employee contributions and the rewards they receive. This research uses nine indicators to measure the level of work stress, such as time constraints, workload, and job anxiety. High levels of work stress can result in employees' decisions to look for new job opportunities outside the organization, which in turn increases turnover intention.

Previous research results show that work stress has a positive and significant influence on turnover intention. Factors that contribute to this include the direct influence of job stress on employee job satisfaction levels and the formation of an unhealthy work environment. The impacts include decreased productivity, physical and mental fatigue, and decreased job satisfaction.

The mechanisms underlying the relationship between work stress and turnover intention include a decrease in job satisfaction due to excessive workload and lack of social support, as well as a negative impact on employees' physical and mental well-being. This condition encourages employees to look for new jobs which are expected to provide a healthier and more supportive work environment. Thus, work stress has a significant influence on turnover intention in the company.

H1 = Job stress has a positive and significant effect on turnover intention.

2. The Influence of Organizational Climate on Turnover Intention

This research adopts the theory put forward by Pritchard and Karasick (1973) (as cited in Banwo et al., 2022), which defines organizational climate as a persistent characteristic of an organization's internal environment that differentiates it from other organizations. This theory emphasizes that organizational climate is influenced by the behavior and policies of top management, and is perceived by organizational members, becomes the basis for interpreting situations, and influences their activities. In this study, five indicators were used to measure organizational climate, including listening to opinions, organizational assistance, caring for welfare, position contribution, and performance support.

Employee perceptions of organizational climate have an important role in influencing employee turnover rates. A good organizational climate can encourage employee loyalty to the
company, while a bad organizational climate can be a driver for leaving the company. Previous studies show that a supportive organizational climate has a significant negative influence on turnover intention. This shows that the better the organizational climate the company has, the lower the level of turnover intention.

Organizational climate influences turnover intention because it creates the basis of a work culture that influences employee perceptions and experiences. A positive organizational climate, with strong management support, mutual trust, and appreciation for employee contributions, can increase job satisfaction and psychological well-being. Conversely, a negative organizational climate, such as role ambiguity, conflict between members, or lack of development opportunities, can create stress and dissatisfaction that drives employees to look for alternative jobs.

A bad organizational climate can trigger feelings of unhappiness and dissatisfaction, which in turn increases employee turnover intention. Lack of effective communication, lack of support from superiors, and imbalance between work and personal life can be factors that increase an employee's desire to leave the organization. Therefore, it is important for organizations to create a supportive organizational climate, which can reduce turnover intention and retain employees who are valuable for the company's sustainability.

**H2 = Organizational climate has a negative and significant effect on turnover intention.**

3. **Job Satisfaction Mediates the Effect of Job Stress on Turnover Intention**

   This research bases its analysis on Two-Factor Theory, which states that job satisfaction comes from intrinsic factors, while job dissatisfaction is influenced by extrinsic factors. Extrinsic factors include aspects outside the job such as salary, supervision, and relationships between employees, while intrinsic factors include aspects directly related to the job itself, such as achievement, recognition, responsibility, advancement, and opportunities for growth. The job satisfaction indicators used in this research cover eight aspects, including extrinsic rewards, work schedule, balance between family and work, relationships with coworkers, interaction, professional opportunities, recognition, and responsibility.

   Increased work stress can cause a decrease in job satisfaction, which in turn can increase turnover intention. This is in line with the findings of previous studies which show that work stress through job satisfaction has a negative effect on intention to resign. This means that although job stress can increase the intention to quit, high job satisfaction can be a factor that influences employees to stay in their current job.

   Job satisfaction acts as a mediator in the relationship between work stress and turnover intention because it has a complex relationship with work stress. Employees who experience high levels of work stress tend to have low job satisfaction. This stress can create an unhealthy work environment, reduce motivation, and cause physical and mental fatigue. In contrast, job satisfaction reflects the extent to which employee needs and expectations are met in the work context. By mitigating the negative impact of job stress and increasing job satisfaction, employees are more likely to maintain their involvement in the company rather than looking for another job.

   The mediation process between job stress, job satisfaction, and turnover intention begins when employees experience job stress, which then influences their job satisfaction. This stress causes a decrease in job satisfaction, which in turn can increase the intention to leave the company. In this context, job satisfaction functions as a mediating mechanism that links job stress with turnover intention. Therefore, job satisfaction plays an important role as a mediator that connects the experience of job stress with an employee's decision to stay or leave the organization.

   **H3 = Job satisfaction mediates the effect of work stress on turnover intention.**
4. Job Satisfaction Mediates the effect of work stress on turnover intention

This research adopts the theory "The Theory of Organizational Equilibrium" (TOE) which states that to retain employees in an organization, there needs to be a balance between the contributions and incentives provided by employees and the contributions of the organization. TOE is the first theory that formally describes a person's intention to change jobs. This theory emphasizes that the decision to change jobs is influenced by how individuals assess their contribution to the organization compared to the benefits obtained from the organization. In this study, the turnover intention variable was measured using five indicators, including looking for another job, consideration of changing jobs, time limit for moving, intention to move in the short term, and actively looking for a new job.

It is important for companies to create a positive organizational climate and support employee job satisfaction in order to reduce turnover intention and increase employee retention. Managing the relationship between organizational climate and job satisfaction is crucial in reducing turnover rates. This is in accordance with the finding that job satisfaction mediates the relationship between organizational climate and turnover intention, as mentioned in previous research. A positive organizational climate, which includes management support, guarantees of fairness, and cooperation between team members, can increase employee job satisfaction.

On the other hand, an organizational climate that is less conducive tends to give rise to dissatisfaction and increase stress levels, which can influence employees' decisions to change jobs.

Job satisfaction functions as a mediator in the relationship between organizational climate and turnover intention because it reflects employees' responses to the working conditions they face. High job satisfaction can be seen as a direct result of a supportive organizational climate, while low job satisfaction can signal a mismatch between employee expectations and the reality of the organization in which they work. In this context, job satisfaction is a key determinant in an employee's decision to stay or move. Therefore, understanding how organizational climate influences job satisfaction and simultaneously influences employees' intention to leave the company (turnover intention) is an important step for management in designing effective employee retention strategies.

**H4 = Job satisfaction mediates the influence of organizational climate on turnover intention.**

3. Research Methods

3.1 Sampling Technique

The research method used in this research combines primary data collection and secondary data using several data collection techniques. The data collection techniques used were observation, interviews, questionnaires and documentation. Observations are carried out to directly observe the symptoms in the field, especially at the preliminary research stage. This observation aims to obtain primary data and secondary data regarding employees who will become the population and sample in the research.

Interviews were conducted by asking questions verbally to respondents. This is done to obtain more in-depth information and a comprehensive picture of problems that usually cannot be explained with a questionnaire. A questionnaire is a data collection method by presenting a number of questions to respondents. In this research, the questionnaire presented is a closed questionnaire, where respondents choose one of the alternative answers provided. The questionnaire has been tested using validity and reliability tests before being distributed to respondents.

Data collection is also carried out through documentation, namely by collecting existing data or information indirectly from the research object. The documentary data collected is used to complete notes or attachments required in the research. The population in this study were employees of development companies in Pekanbaru City. Samples were taken proportionally from each development company that was part of the population. The number of samples required in this research was 135 respondents, who were selected using the simple random
sampling method. The research variables consist of exogenous variables (work stress and organizational climate), mediating variables (job satisfaction), and endogenous variables (turnover intention). A conceptual definition of each variable has been prepared to explain its meaning and scope in the research context.

By using this method, it is hoped that this research can provide a better understanding of the relationship between work stress, organizational climate, job satisfaction, and turnover intention among employees of development companies in Pekanbaru City.

3.2 Data Analysis Techniques

The data analysis method used is quantitative analysis based on the results of statistical calculations using Smart PLS software, with the following stages: - Outer Model Testing: There are three criteria for using data analysis techniques with SmartPLS to assess the outer model, namely Convergent Validity, Discriminant Validity and Composite Reliability. Convergent validity of the measurement model with reflexive indicators is assessed based on the correlation between item scores/component scores estimated with PLS software. An individual reflexive measure is said to be high if it correlates more than 0.70 with the construct being measured. However, for research in the initial stages of developing a measurement scale, a loading value of 0.5 to 0.6 is considered sufficient. In this research, a loading factor limit of 0.60 will be used. - Testing of the structural model (Inner Model): carried out by looking at the R-Square value which is a model goodness-fit test

This research uses 4 variables where the Turnover Intention variable is directly influenced by the Work Stress and Organizational Climate variables. Then Turnover Intention is influenced by Job Stress and Organizational Climate indirectly through Job Satisfaction.

4. Results and Discussion

4.1 Assessing the Outer Model or Measurement Mode

The results of processing using SmartPLS can be seen in Table 1. The outer model value or correlation between constructs and variables initially met convergent validity because all sub-indicators had loading factor values above 0.60. Model modifications need to be made when the loading factor value appears below 0.60. Model modification was carried out by removing indicators that had loading factor values below 0.60 so that no constructs for all variables were eliminated from the model.

Table 4. Outer Model

<table>
<thead>
<tr>
<th></th>
<th>Organizational Climate</th>
<th>Job satisfaction</th>
<th>Job Stress</th>
<th>Turnover Intention</th>
</tr>
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<tbody>
<tr>
<td>IO_01</td>
<td>0.809</td>
<td></td>
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<td></td>
</tr>
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<td></td>
</tr>
<tr>
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</table>
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Amos et al.

<table>
<thead>
<tr>
<th>SK_05</th>
<th>Organizational Climate</th>
<th>Job satisfaction</th>
<th>Job Stress</th>
<th>Turnover Intention</th>
</tr>
</thead>
<tbody>
<tr>
<td>TI_01</td>
<td></td>
<td></td>
<td>0.911</td>
<td></td>
</tr>
<tr>
<td>TI_02</td>
<td></td>
<td></td>
<td>0.929</td>
<td></td>
</tr>
<tr>
<td>TI_03</td>
<td></td>
<td></td>
<td>0.928</td>
<td></td>
</tr>
<tr>
<td>TI_04</td>
<td></td>
<td></td>
<td>0.879</td>
<td></td>
</tr>
<tr>
<td>TI_05</td>
<td></td>
<td></td>
<td>0.940</td>
<td></td>
</tr>
</tbody>
</table>

Source: Data processed with PLS, 2024

4.2 Discriminant Validity

Discriminant validity is carried out to ensure that each concept of each latent variable is different from other variables. The model has good discriminant validity if each loading value for each indicator of a latent variable has the largest loading value compared to other loading values for other latent variables. The discriminant validity test results obtained can be seen in table 5. From table 4 it can be seen that the majority of loading factor values for each indicator of each latent variable have the largest loading factor value compared to the loading value when connected with other latent variables where only There are two latent variables that have loading factor values that are smaller than the loading values of other latent variables. This means that the majority of each latent variable has adequate/good discriminant validity, whereas the majority of latent variables no longer have measures that are highly correlated with other constructs.

Tabel 5. Discriminant Validity

<table>
<thead>
<tr>
<th>IO_01</th>
<th>Organizational Climate</th>
<th>Job satisfaction</th>
<th>Job Stress</th>
<th>Turnover Intention</th>
</tr>
</thead>
<tbody>
<tr>
<td>IO_02</td>
<td>0.809</td>
<td>0.366</td>
<td>0.324</td>
<td>0.314</td>
</tr>
<tr>
<td>IO_03</td>
<td>0.736</td>
<td>0.267</td>
<td>0.188</td>
<td>0.182</td>
</tr>
<tr>
<td>IO_04</td>
<td>0.922</td>
<td>0.489</td>
<td>0.483</td>
<td>0.496</td>
</tr>
<tr>
<td>IO_05</td>
<td>0.938</td>
<td>0.492</td>
<td>0.429</td>
<td>0.421</td>
</tr>
<tr>
<td>KK_01</td>
<td>0.918</td>
<td>0.468</td>
<td>0.401</td>
<td>0.396</td>
</tr>
<tr>
<td>KK_02</td>
<td>0.479</td>
<td>0.714</td>
<td>0.433</td>
<td>0.429</td>
</tr>
<tr>
<td>KK_03</td>
<td>0.408</td>
<td>0.904</td>
<td>0.709</td>
<td>0.736</td>
</tr>
<tr>
<td>KK_04</td>
<td>0.461</td>
<td>0.864</td>
<td>0.690</td>
<td>0.666</td>
</tr>
<tr>
<td>KK_05</td>
<td>0.397</td>
<td>0.777</td>
<td>0.493</td>
<td>0.506</td>
</tr>
<tr>
<td>SK_01</td>
<td>0.227</td>
<td>0.667</td>
<td>0.564</td>
<td>0.569</td>
</tr>
<tr>
<td>SK_02</td>
<td>0.397</td>
<td>0.734</td>
<td>0.842</td>
<td>0.718</td>
</tr>
<tr>
<td>SK_03</td>
<td>0.400</td>
<td>0.664</td>
<td>0.886</td>
<td>0.764</td>
</tr>
<tr>
<td>SK_04</td>
<td>0.412</td>
<td>0.639</td>
<td>0.885</td>
<td>0.874</td>
</tr>
<tr>
<td>SK_05</td>
<td>0.416</td>
<td>0.633</td>
<td>0.909</td>
<td>0.873</td>
</tr>
<tr>
<td>TI_01</td>
<td>0.384</td>
<td>0.655</td>
<td>0.921</td>
<td>0.905</td>
</tr>
<tr>
<td>TI_02</td>
<td>0.416</td>
<td>0.674</td>
<td>0.850</td>
<td>0.911</td>
</tr>
<tr>
<td>TI_03</td>
<td>0.422</td>
<td>0.668</td>
<td>0.866</td>
<td>0.929</td>
</tr>
</tbody>
</table>
Organizational Climate | Job satisfaction | Job Stress | Turnover Intention
---|---|---|---
TI_04 | 0.398 | 0.709 | 0.825 | 0.879
TI_05 | 0.372 | 0.730 | 0.864 | 0.940

Source: Data processed with PLS, 2024

4.3 Mengevaluasi Reliability dan Average Variance Extracted (AVE)
Validity and reliability criteria can also be seen from the reliability value of a construct and the Average Variance Extracted (AVE) value of each construct. A construct is said to have high reliability if the value is 0.70 and the AVE is above 0.50. In table 6, the Composite Reliability and AVE values for all variables are presented. Based on table 3, it can be concluded that all constructs meet the reliable criteria. This is indicated by composite reliability values above 0.70 and AVE above 0.50 as recommended criteria. The composite reliability value is even > 0.90, indicating that the error variance value is small (minor).

Table 6. Reliability and Validity

<table>
<thead>
<tr>
<th></th>
<th>Cronbach’s Alpha</th>
<th>rho_A</th>
<th>Composite Reliability</th>
<th>Average Variance Extracted (AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Climate</td>
<td>0.919</td>
<td>0.954</td>
<td>0.938</td>
<td>0.754</td>
</tr>
<tr>
<td>Job satisfaction</td>
<td>0.846</td>
<td>0.871</td>
<td>0.891</td>
<td>0.625</td>
</tr>
<tr>
<td>Job Stress</td>
<td>0.933</td>
<td>0.935</td>
<td>0.950</td>
<td>0.790</td>
</tr>
<tr>
<td>Turnover Intention</td>
<td>0.953</td>
<td>0.953</td>
<td>0.964</td>
<td>0.842</td>
</tr>
</tbody>
</table>

Source: Data processed with PLS, 2024

4.4 Structural Model Testing (Inner Model)
Inner model or structural model testing is carried out to see the relationship between constructs, significance values and R-square of the research model. The structural model was evaluated using the R-square for the t-test dependent construct as well as the significance of the structural path parameter coefficients as seen in Figure 1. In assessing the model with PLS, start by looking at the R-square for each dependent latent variable.
THE EFFECT OF JOB STRESS AND ORGANIZATIONAL CLIMATE ON TURNOVER INTENTION WITH JOB SATISFACTION AS A MEDIATION VARIABLE

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Figure 1. Structural Model
Source: Data processed with PLS, 2024

Table 7. R-Square Value

<table>
<thead>
<tr>
<th></th>
<th>R Square</th>
<th>R Square Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job satisfaction</td>
<td>0.592</td>
<td>0.586</td>
</tr>
<tr>
<td>Turnover Intention</td>
<td>0.877</td>
<td>0.874</td>
</tr>
</tbody>
</table>

Source: Data processed with PLS, 2024

Table 7 shows that the Work Stress and Organizational Climate variables have an Adjusted R Square value of 0.874, which means that Work Stress and Organizational Climate have a contribution of 87.4% to employee Turnover Intention. Then, the Job Stress and Organizational Climate variables have an Adjusted R Square value of 0.586, which means that Job Stress and Organizational Climate have a contribution of 58.6% to employee job satisfaction.

4.5 Hypothesis Testing

The significance of the estimated parameters provides very useful information about the relationship between the research variables. The basis used in testing the hypothesis is the value contained in the output result for inner weight. Table 8 provides the estimation output for testing the structural model.
Tabel 8. Result For Inner Weights

| Organizational Climate -> Job Satisfaction | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (|O/STDEV|) | P Values |
|-------------------------------------------|-----------------|-----------------------------|--------------------------|----------|
| Organizational Climate -> Job Satisfaction | 0.206           | 0.077                       | 2.680                    | 0.008    |
| Organizational Climate -> Turnover Intention | -0.009          | 0.044                       | 1.978                    | 0.042    |
| Job Satisfaction -> Turnover Intention | 0.119           | 0.070                       | 1.991                    | 0.036    |
| Job Stress -> Job Satisfaction | 0.656           | 0.062                       | 10.634                   | 0.000    |
| Job Stress -> Turnover Intention | 0.840           | 0.060                       | 13.974                   | 0.000    |

Source: Data processed with PLS, 2024

In PLS, statistical testing of each hypothesized relationship is carried out using simulation. In this case, the bootstrap method is carried out on the sample. Bootstrap testing is also intended to minimize the problem of non-normality of research data. The test results as shown in table 8 above with bootstrapping from PLS analysis are as follows:

- Testing Hypothesis 1 (Work stress has a positive effect on turnover intention): The results of testing the first hypothesis show that there is a relationship between the Job Stress variable and Turnover Intention shows a path coefficient value of 0.206 with a t value of 2.680. This value is greater than the t table (1.960). These results mean that work stress has a positive effect on Turnover Intention which means it is in accordance with the first hypothesis where Job Stress drives Turnover Intention. This means that Hypothesis 1 is accepted.

- Testing Hypothesis 2 (Organizational climate has a negative effect on Turnover Intention): The results of testing the second hypothesis show that the relationship between the Organizational Climate variable and Turnover Intention shows a path coefficient value of -0.009 with a t value of 1.978. This value is greater than the t table (1.960). These results mean that Organizational Climate has a negative and significant relationship with Turnover Intention which means that it is in accordance with the second hypothesis where Organizational Climate has a negative effect on Turnover Intention. This means that Hypothesis 2 is accepted.

- Testing Hypothesis 3 (Job satisfaction mediates the effect of job stress on Turnover Intention): The results of testing the third hypothesis show that there is a relationship between the Job Stress variable and Turnover Intention through Job Satisfaction shows a path coefficient value of 0.508 with a t value of 1.994. This value is greater than the t table (1.960). These results mean that job satisfaction mediates the effect of job stress on turnover intention which means the third hypothesis is accepted.

- Testing Hypothesis 4 (Job Satisfaction mediates the influence of Organizational Climate on Turnover Intention): The results of testing the fourth hypothesis show that the relationship between the Organizational Climate variable and Turnover Intention through Job Satisfaction shows a path coefficient value of 0.415 with a t value of 1.986. This value is greater than the t table (1.960). These results mean that job satisfaction mediates the influence of organizational climate on turnover intention which means the fourth hypothesis is accepted.

Tabel 9 Result for Total Indirect Effects

| Organizational Climate -> Job | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (|O/STDEV|) | P Values |
|------------------------------|-----------------|-----------------------------|--------------------------|----------|
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<table>
<thead>
<tr>
<th>Satisfaction</th>
<th>Organizational Climate -&gt; Turnover Intention</th>
<th>Job Satisfaction -&gt; Turnover Intention</th>
<th>Job Stress -&gt; Job Satisfaction</th>
<th>Job Stress -&gt; Turnover Intention</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.415</td>
<td>0.026</td>
<td>0.019</td>
<td>1.986</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.033</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Data processed with PLS, 2024

5. Conclusions and recommendations

A. Conclusion

Based on the results of calculations and analysis from this research, the following conclusions can be drawn:

1. Work stress has a positive effect on turnover intention employees of a housing construction company in Pekanbaru City.
2. Organizational climate has a negative effect on the turnover intention employees of a housing construction company in Pekanbaru City.
3. Job satisfaction mediates the effect of job stress on turnover intention employees of a housing development company in Pekanbaru City.
4. Job satisfaction mediates the influence of organizational climate on turnover intention employees of a housing development company in Pekanbaru City.

B. Suggestion

Suggestions that researchers can convey based on the results of this research analysis include:

1. In the results of perceptions of work stress, the lowest average scores were found in indicators of work anxiety and psychological disorders, therefore, to anticipate the spread of similar responses, companies need to offer mental well-being support programs, such as counseling, stress management training, or access to resources. Resources that can help employees overcome anxiety and stress.
2. In the results of perceptions of organizational climate, the lowest average value is found in the indicator of listening to opinions. So, companies need to address the reasons why respondents stated this, one way is by opening communication channels. Companies need to create open and easily accessible communication channels, such as suggestion boxes, regular discussion sessions, or online platforms where employees can express their opinions, suggestions, or problems and ultimately take employee complaints seriously.
3. In the results of perceptions of job satisfaction, the lowest average value is found in the indicator family and work balance. So companies should implement a balanced work policy that includes regular evaluation of employees’ workload to ensure that they have sufficient time for family, recreation and rest, and that they are not given excessive workload. Also ensure that work is distributed fairly among employees.
4. In the results of perceptions of turnover intention, the lowest average value is found in the time limit indicator. So, companies can conduct exit interviews to understand the reasons behind an employee’s desire to leave the company and identify key issues that need to be addressed such as salary issues, career development, company culture, management, or excessive workload.
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Pranata, I. G. N., & Utama, I. W. M. (2019). The Influence of Organizational Climate on Turnover Intention with Job Satisfaction as a Mediating Variable Faculty of Economics and Business, Udayana University, Bali, Indonesia. ABSTRACT Increasingly competitive business competition among companies in the era of globalization. 8(1), 7486–7518.


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Amos et al.

Jakarta: Salemba Empat.


