# The Role of Job Insecurity and Job Stress in Shaping Turnover Intentions: Insights from Employee Perspectives Banking in Jabodetabek

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## Abstract

*This study aims to analyze the influence of Job Insecurity and Job Stress on Turnover Intention among bank employees in the Greater Jakarta area. In the context of the Job Demand-Resources theory, job uncertainty (Job Insecurity) and job stress (Job Stress) are considered factors that can affect employees' intentions to leave the company. The research method used was quantitative with a survey design, where data was obtained from 56 employees working at several banks in Greater Jakarta. Data processing was carried out using SmartPLS 3.0, with the T test to test the hypothesis and bootstrapping analysis to test the significance of the relationship between the variables. The results of the study show that both Job Insecurity and Job Stress have a significant positive influence on Turnover Intention. This research provides important insights for companies to manage job uncertainty and employee stress to reduce turnover intention. In the practical aspect, companies are advised to introduce policies that can reduce uncertainty in work and provide better psychological support for employees, to prevent an increase in turnover intention that adversely affects the organization. The impact of this study on company managers is significant, as the management of job uncertainty and stress can affect employee retention and create a more productive work environment. HR managers need to be more aware of the factors that can increase turnover intention and design policies that emphasize job stability and employee well-being. The novelty of this study lies in the application of the Job Demand-Resources model in the context of banks in the Greater Jakarta area, as well as the use of SmartPLS 3.0 to test the relationship between variables that contribute to the development of human resource theory and practice in the banking industry.*

Keywords *: Job Insecurity, Job Stress, Turnover Intention, Job Demand-Resources,*

## 1.  Introduction

Globalization has had a huge impact on the dynamics of the business world, creating new challenges that are increasingly tightening competition between companies. In the face of increasingly intense global competition, companies around the world are required to adapt quickly and efficiently, as well as strengthen their competitiveness to survive and grow. In the midst of this condition, the quality of human resources (HR) is the main determining factor in determining the success and survival of the company. Creative, innovative, and highly skilled human resources will be the main pillar in developing sustainable competitive advantage (Maulana et al., 2024). One of the significant challenges in HR management is the management of employee behavior that directly affects organizational performance. Although companies have established clear policies and procedures, there is often a mismatch between expectations and reality in employee behavior. One of the problems that often arises is turnover intention—that is, the intention of employees to leave

their jobs. This phenomenon is a major concern in various industrial sectors, including banking and manufacturing, which are experiencing turmoil related to labor turnover (Octaviani, 2024).

The global phenomenon known as "The Great Resignation" describes the surge in resignation rates in various parts of the world, which although started in Western countries, has spread to the Southeast Asian region, including Indonesia. Based on a Robert Walters survey (2023), as many as 77% of Indonesian workers are considering quitting their jobs, with the main reasons being dissatisfaction with existing working conditions, as well as expectations for improved work quality. However, the survey also noted that despite the interest in leaving, many Indonesian workers are still deterred by economic uncertainty and financial security factors, which make them reluctant to make drastic decisions (Arya Rangga & Fitria Hermiati, 2023). One of the factors that affect turnover intention is job insecurity, or job insecurity. This insecurity includes not only the threat of losing a job, but also uncertainty regarding the future of the employee's career and psychological well-being. When employees feel such uncertainty, it can trigger anxiety that affects their well-being and performance. High job insecurity can worsen motivation and loyalty, as well as encourage employees to seek more stable and promising job opportunities (Octaviani, 2024). In addition to job insecurity, another significant factor in influencing turnover intention is job stress. Excessive workloads, time pressures, and conflicts in the work environment can create stress that has an impact on job satisfaction and employee performance. Stress that is not managed properly can decrease productivity and increase the intention to seek a more adequate job psychologically (Maulana et al., 2024). Previous research has shown that work stress is closely related to turnover intention, and is often one of the strong predictors of employees' decision to leave the company (Erliana Nur Rahmadiani & Kusdiyanto, 2024).

The phenomenon of turnover intention can also be observed in the banking sector, such as what happened to bank employees in the Greater Jakarta area. Based on internal surveys, many employees report heavy stress due to hard-to-achieve achievement targets, which then leads to uncertainty about their career future. Job insecurity coupled with a high workload has created greater stress, thus motivating some employees to consider job opportunities elsewhere that offer higher stability. Several previous studies, such as those conducted by Rehatta et al. (2022), Oley et al. (2023), and Putri et al. (2023), revealed that job insecurity and job stress have a significant influence on turnover intention. These studies show that employees who feel insecurity and stress at work are more likely to have the intention to leave the company. However, several other studies, such as those conducted by Astuti et al. (2022), show that work stress is not always the main determining factor in turnover intention, because other factors such as financial needs or social attachment at work also influence employees' decisions to stay. Therefore, this study aims to expand the understanding of the influence of job insecurity and job stress on turnover intention, with a focus on the banking sector in the Greater Jakarta area, to provide further insight into the factors that affect the tendency of employees to leave the organization.
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## 2. Literature Review
## 2.1. Turnover Intention

The high turnover rate is a major problem for companies because it can increase the cost of recruiting and training new employees (Riana et al., 2020). Turnover intention or intention to leave a job refers to an employee's desire to leave the company voluntarily (Robbins & Judge, 2013; Putri et al., 2023). According to Ardiyanti (2019), this is an employee's subjective assessment of their desire to leave their current position. Arum & Handari (2020) also defines turnover intention

as the tendency of employees to change workplaces according to their own decisions. Fitriantini (in Arrad & Tjahjadi, 2023) states that turnover intention is often related to the desire to find a position with a better salary. Mathis & Jackson (in Purwati & Maricy, 2019) adds that turnover intention is the process by which employees leave the company, which requires the company to recruit new employees (Aprilia Sari, 2024). Kartono (2021) identified three dimensions of turnover intention: 1) Thinking about quitting—considering quitting a job, 2) Job search—looking for other job opportunities, and 3) Intention to quit—a change in behavior that reflects a desire to leave a job, such as an increase in absenteeism (Astuti et al., 2022). Turnover intention is measured by two main indicators: 1) Considering exiting, and 2) Looking for another job. These two indicators describe attitudes and behaviors that are closely related to the intention to change jobs. Based on this explanation, it can be concluded that turnover intention is the desire of employees to voluntarily leave their jobs in search of other opportunities, often with the aim of obtaining a better salary or a more adequate work environment.

## 2.2. Job Insecurity

Job insecurity or job insecurity refers to an individual's concern about the continuity of his or her job in the future. This uncertainty can affect employees' psychological well-being, job satisfaction, and commitment to their work. Several definitions state that job insecurity is a feeling of helplessness to maintain a job in uncertain conditions, which often causes negative impacts such as anxiety, stress, decreased creativity, and decreased commitment to work (Setyowati, 2023; Kadek, 2018; Halimah & Fathoni, 2018). Employees who feel threatened by unstable working conditions tend to feel depressed and less productive, which can adversely affect their overall performance (Rosenblatt, 2018; Padli et al., 2021). Some dimensions of job insecurity include the overall risk of losing a job, uncertainty related to aspects of the job, and a feeling of helplessness in the face of threats to job stability. Indicators used to measure job insecurity include threats to promotions, salaries, and the importance of work for individuals (Hallo et al., 2022). This insecurity is a problem that needs to be considered by companies because it can affect employee productivity and lead to a decrease in job satisfaction which ultimately has an impact on the level of turnover intention or intention to leave the job

When faced with various disturbances and threats in carrying out their duties, employees who are in dangerous working conditions (job uncertainty) feel worried and helpless. This condition emphasizes that job uncertainty affects turnover intention because it concerns job security and the desire of employees to move to other organizations. Research by Erliana Nur Rahmadiani & Kussdiyanto from 2024 also indicates that job uncertainty has a positive effect on employees' intentions to leave their jobs. From the explanation above, it can be hypothesized:
H1. There is a significant influence between *job insecurity* on *turnover intention*

## 2.3. Job Stress

Stress is a reaction that arises when a person is faced with demands that force them to exert excessive mental and physical effort. Stress in the workplace can be triggered by a variety of external factors, such as a mismatch between job demands and individual capacities, which negatively impacts employees' physical and emotional health, as well as the quality of their social and family lives. Stress can occur due to an inability to meet the demands of the job, unclear tasks given, limited working hours, or inadequate facilities to support the work. Research shows that work stress is also related to poor performance, high absenteeism, high employee turnover rates, and poor service to customers (Afandi, 2018; Pratiwi & Indarto, 2022). Some dimensions of stress

in the workplace include excessive workload, long or erratic working hours, strict supervision, unsupportive work climate, unsupportive responsibilities, and workplace conflicts between colleagues or superiors. Indicators of work stress according to Hasibuan (2014) include excessive workload, unfair attitudes from leaders, excessive amount of working time, conflicts between employees and leaders, poor communication, and unclear authority and work responsibilities. These conditions can trigger stress that affects employee performance and well-being in the workplace (Aksa & Transistari, 2021; Hallo et al., 2022).

Work stress arises from any activity that requires a person to perform excessive mental and/or physical activities due to challenging circumstances, circumstances, or events. It is an adaptive reaction process mediated by psychological and/or individual processes. The causes and frequency of employee stress should be known by every business as it can have a long-term negative influence on organizational costs, higher employee turnover, and absenteeism. However, the effect was smaller compared to the direct effect of work stress on the intention to leave. According to research by Muhammad Arya Rangga and Novi Fitria Hermiat (2023), work stress has a positive effect on the tendency to leave the Company.

H2. There is a significant influence between *job insecurity* on *turnover intention*
The above background explanation, which is based on theories and hypotheses, can be described in the research model as follows:
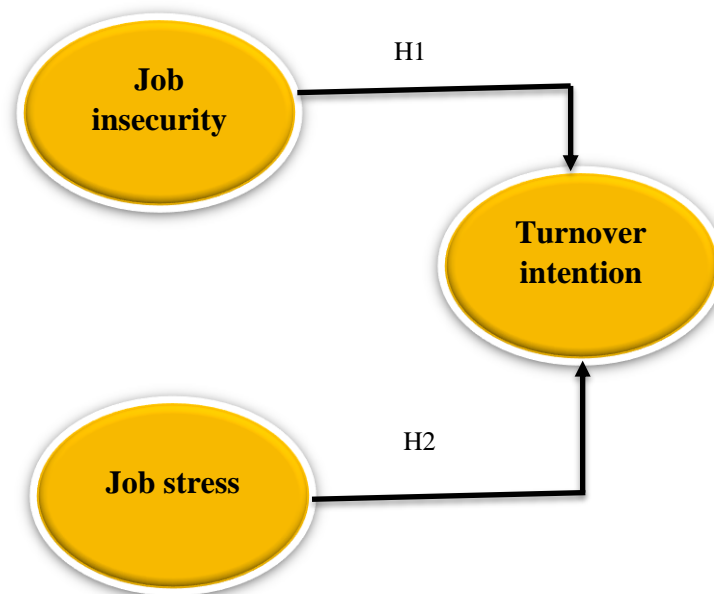


Figure 1. Research Model

3. Methodology
    This research method uses a quantitative approach with data analysis techniques using Partial Least Squares Structural Equation Modeling (PLS-SEM). The sample used in this study is 56 employees who work at banks in the Greater Jakarta area. PLS-SEM was chosen because this method allows the analysis of relationships between variables by taking into account direct and

indirect influences, and is suitable for data that does not meet the assumption of normality (Hair et al., 2017; Ghozali, 2014). This study aims to test and analyze the influence of factors such as job insecurity, work stress, and turnover intention on employee performance using a model developed based on existing theories.

Data collection was carried out through the distribution of questionnaires consisting of questions relevant to the research topic, such as work stress levels, job insecurity, and intention to change jobs. The collected data is then analyzed using SmartPLS, which is a commonly used software to perform PLS-SEM analysis. This analysis process involves measuring the measurement model and testing the structural model to see the relationship between the variables studied (Hair et al., 2017; Sekaran & Bougie, 2016). Through this method, it is hoped that a deeper understanding of the factors that affect turnover intention and employee performance in the banking sector can be obtained. Convergent validity aims to find out and measure the relationship between instruments and latent variables. This test can be seen through the value of loading factors that have been processed as follows:

Table 1 Values of Loading Factors, Average Variance Extracted (AVE), and Composite Reliability

| It | Variable | Indicators | Loading Factor | AVE | Composite Reliability |
|---|---|---|---|---|---|
| 1 | Turnover intention (Y) | TI1 | 0.757 | 0.613 | 0.863 |
|  |  | TI3 | 0.851 |  |  |
|  |  | TI4 | 0.746 |  |  |
|  |  | TI6 | 0.774 |  |  |
| 2 | Job insecurity (X1) | JI2 | 0.861 | 0.708 | 0.907 |
|  |  | JI3 | 0.891 |  |  |
|  |  | JI8 | 0.788 |  |  |
|  |  | JI9 | 0.823 |  |  |
| 3 | Job stress (X2) | JS4 | 0.720 | 0.606 | 0.956 |
|  |  | JS5 | 0.809 |  |  |
|  |  | JS6 | 0.805 |  |  |
|  |  | JS7 | 0.717 |  |  |
|  |  | JS9 | 0.743 |  |  |
|  |  | JS10 | 0.797 |  |  |
|  |  | JS11 | 0.770 |  |  |
|  |  | JS12 | 0.729 |  |  |
|  |  | JS13 | 0.747 |  |  |
|  |  | JS14 | 0.806 |  |  |
|  |  | JS15 | 0.869 |  |  |
|  |  | JS16 | 0.743 |  |  |
|  |  | JS17 | 0.824 |  |  |
|  |  | JS18 | 0.805 |  |  |

*Source: Data processing results on SmartPLS 3.0, 2024*

This table presents the Loading Factors for each variable indicator, the AVE (Average Variance Extracted) value which indicates the validity of convergence, and the Composite Reliability which measures the reliability of the variables. All variables meet the required validity and reliability criteria.

## 4. Result and Discussion
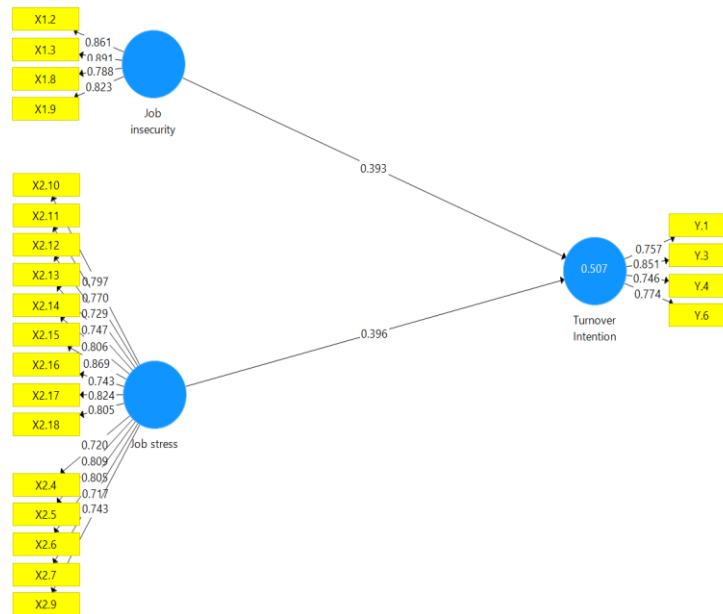


Picture 2. Results of smart pls calculation

### 4.1 Result

The significance test or t-test is used to measure the strength of influence as well as the relationship between variables in the research model. The results of the t-statistical test obtained were then used to measure how much influence and relationship between variables in the research model. In addition, p-values are used to evaluate the level of significance of the relationship between variables. A p-value smaller than 0.05 indicates that the relationship between the variables is statistically significant, while a p-value greater than 0.05 indicates that the relationship is not significant.

Table 2. Test Results

|  | *Original Sample* (O) | *T Statistics* (\|O/STDEV\|) | *P Values* | *Information* |
|---|---|---|---|---|
| *Job Insecurity -> Turnover intention* | 0.392 | 3.751 | 0.000 | Significant |
| *Job Stress -> Turnover intention* | 0.396 | 3.458 | 0.001 | Significant |

*Source: Data processing results on SmartPLS 3.0, 2024*

Based on Table 2, it can be seen that the original sample value for the relationship between job insecurity and turnover intention is 0.392, while the original sample value for the relationship between job stress and turnover intention is 0.396. Both values show a positive relationship between independent and dependent variables, which shows a significant influence of both variables on turnover intention. The results of the bootstrapping test showed that both Job Insecurity (0.392) and Job Stress (0.396) had a positive influence on Turnover Intention. The t-statistics obtained for these two relationships, namely 3,751 and 3,458, were much larger than the t-table values (2,006 with 53 degrees of freedom and 5% significance). In addition, the p-values for both relationships, which are 0.000 and 0.001, are much smaller than 0.05, which indicates that they are both statistically significant.

Based on the results of the T test, the first hypothesis (H1) stating that Job Insecurity affects Turnover Intention was accepted. The t-statistical value (3.751) is greater than the t-table (2.006) and the very low p-value (0.000 < 0.05) indicates that the relationship between Job Insecurity and Turnover Intention is significant. Therefore, it can be concluded that the higher the level of job insecurity that employees feel, the higher the likelihood that they will have the intention to leave the company. Likewise with the second hypothesis (H2), which states that Job Stress has an effect on Turnover Intention. The t-statistical value for this relationship is 3.458, which is also greater than the t-table 2.006, as well as a p-value of 0.001, which indicates statistical significance. Thus, Job Stress also has a significant effect on employees' intention to leave the company, confirming that high work stress can trigger the decision to resign.

## 4.2 Discussion

The results of the analysis conducted using SmartPLS show that Job Insecurity and Job Stress have a significant influence on Turnover Intention. More specifically, the original sample (O) value obtained for the effect of Job Insecurity on Turnover Intention was 0.392, with a t-statistical value of 3.751 and a p-value of 0.000. Meanwhile, for the effect of Job Stress, the original sample value (O) obtained was 0.396, with a t-statistic of 3.458 and a p-value of 0.001. These two relationships show that these two factors do play an important role in increasing employees' intention to leave the company. These results are in line with the theory that job insecurity and high stress levels are the main predictors of turnover intention (Setiaman, 2022; Hamid & Anwar, 2019). The relationship found in this study shows that there is a significant influence of Job Insecurity and Job Stress on Turnover Intention, which is also in line with previous research. Research by Kumari et al. (2020) which examined the influence of Job Insecurity on Turnover Intention in the banking sector in India also found similar results, namely job insecurity can increase employees' desire to quit their jobs. Similarly, research by Hassan et al. (2021) on Job Stress in the context of the banking industry in Pakistan, confirms that high job stress is related to increased turnover intention. Thus, the results of this study support the existing literature and provide further evidence regarding the importance of these two factors in influencing employees' decisions to leave the organization.

The results of this study have practical implications that are very important for human resource management, especially in the context of turnover management in the banking sector in the Greater Jakarta area. Organizations need to pay more attention to factors that can affect job insecurity and employee work stress. One way to reduce turnover intention is to create a more

stable work environment and support employee welfare. In this case, companies need to implement policies that can reduce feelings of insecurity, such as providing clear career guarantees and improving communication between managers and employees regarding organizational changes. In addition, work stress management is also important by providing stress management training and offering welfare programs for employees. Although the results of this study provide valuable insights, there are some limitations that need to be considered. The study used a limited sample of 56 employees in the Greater Jakarta area, which may not fully reflect conditions in other industries or outside the region. Therefore, further research with a larger and more varied sample is needed to confirm this generalization of the results. Research can also examine other factors that may affect turnover intention, such as leadership factors, organizational culture, or broader economic conditions. Overall, the findings of this study provide strong evidence regarding the influence of Job Insecurity and Job Stress on Turnover Intention in the banking sector, and these results have great practical relevance in improving human resource management to minimize turnover rates in organizations.

The results show that Job Insecurity and Job Stress have a significant influence on Turnover Intention, which has a major impact on company management. According to the Job Demand-Resources (JD-R) theory, job insecurity and job stress are factors that affect employees' psychological well-being, which in turn can reduce their commitment to the organization (Bakker & Demerouti, 2017). Employees who feel threatened with losing their jobs or feeling overly stressed tend to find alternative jobs more easily. Therefore, practically, managers need to develop clear communication strategies and policies that provide a sense of security for employees. A transparent career development program, followed by providing realistic guarantees regarding job stability, can reduce the uncertainty felt by employees. In addition, the Transactional Model of Stress theory by Lazarus and Folkman (1984) explains that stress that is not managed properly can lead to decreased performance, increased attendance, and reduced loyalty to the company. Therefore, it is important for managers to design policies that support employee well-being, such as providing support in stress management through stress management training, balanced workload management, and creating a supportive work environment. Practically, this step can increase job satisfaction, reduce turnover rates, and increase organizational productivity. Managers need to ensure that there is a feedback system that allows employees to voice their complaints, as well as implement policies that can balance work pressure and individual needs.

## 5. Conclusion

This study succeeded in revealing that Job Insecurity and Job Stress have a significant influence on Turnover Intention among bank employees in Greater Jakarta. Based on the results of the analysis, both job insecurity and job stress have proven to be factors that contribute to increasing employee intentions to leave the company. These results support the Job Demand-Resources (JD-R) theory which emphasizes that job insecurity and work stress are important factors that affect employees' well-being and, ultimately, their decision to stay employed or seek other opportunities. Thus, this study provides strong empirical evidence regarding the importance of creating a safe work environment and supporting the psychological well-being of employees to reduce turnover intention.

Based on these findings, it is recommended that company management, especially in the banking sector, implement policies that can reduce job insecurity and stress in the workplace. Some

of the steps that can be taken include increasing transparency in communication regarding the company's condition and employees' career prospects, providing training programs to manage stress, and providing emotional support such as counseling for employees who are experiencing psychological distress. In addition, for future research, it is recommended to explore other factors that can affect turnover intention, such as social support, job satisfaction, and organizational culture. Further research with a wider sample will also improve the generalization of results, as well as deepen understanding of the dynamics that affect turnover intention across various industries

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