

## **STRATEGIC HUMAN RESOURCE MANAGEMENT AND EMPLOYEES' INTENTION TO LEAVE AT PT. NARAYA TELEMATIKA MALANG**

**Bambang Hadi Prabowo, Riszki Siswantining Suwastika**

**STIE Jaya Negara Tamansiswa Malang**

### **ABSTRACT**

This study explores the relationship between Strategic Human Resource Management (SHRM) practices and employees' intention to leave at PT. Naraya Telematika Malang. Using a qualitative descriptive approach, data were collected through in-depth interviews, observation, and document analysis to examine how recruitment, training and development, performance appraisal, compensation, and employee engagement influence turnover intentions. Findings reveal that well-implemented SHRM practices reduce employees' intention to leave by enhancing satisfaction, commitment, and engagement. Challenges include inconsistent appraisal systems, limited career growth, and lack of communication regarding HR policies. The study offers practical recommendations for improving SHRM implementation to retain talent effectively.

Keywords: strategic human resource management, employee turnover, intention to leave, qualitative research, PT Naraya Telematika Malang

### **Introduction**

Employee retention is an increasingly significant issue for organizations seeking long-term success, particularly in industries where skilled labor is both highly demanded and scarce. In sectors like information technology (IT) and telecommunications, companies are faced with the challenge of retaining highly qualified employees who possess the technical expertise and innovation capabilities needed to keep pace with constant technological advancements. The cost of turnover in these industries is not limited to recruitment expenses; it also involves the loss of valuable knowledge, reduced team performance, and a potentially damaged reputation in the talent marketplace. PT. Naraya Telematika Malang, a company operating in the telecommunications sector, faces similar challenges. The company is in a highly competitive technological environment where employee turnover not only impacts day-to-day operations but also its ability to remain innovative and competitive. Strategic Human Resource Management (SHRM) plays a critical role in mitigating these challenges by aligning HR practices with organizational goals to enhance employee satisfaction, foster engagement, and ultimately retain top talent (Collings & Mellahi, 2020).

The role of SHRM is even more critical in the context of PT. Naraya Telematika Malang, where high employee turnover is a pressing issue. As a technology-driven company, the firm requires employees who possess specialized skills and the flexibility to adapt to new technologies and market trends. However, many organizations, including PT. Naraya Telematika Malang, continue to face persistent challenges in effectively implementing SHRM practices. These challenges can range from poor recruitment strategies to the absence of effective employee development programs, unclear career progression, and inconsistent management practices, all of which contribute to increased turnover intentions among employees. This research seeks

to explore the specific SHRM practices that influence employees' intention to leave and how PT. Naraya Telematika Malang can better tailor its HR strategies to reduce turnover and improve employee retention.

Strategic Human Resource Management (SHRM) emphasizes the integration of human resource practices with the strategic objectives of an organization. Unlike traditional HRM, which is often concerned with administrative tasks, SHRM aligns HR activities with long-term organizational goals to create a cohesive, motivated, and high-performing workforce. In industries such as telecommunications, where rapid technological changes and increasing competition require companies to remain agile and innovative, SHRM is essential for creating a workforce that is both competent and committed. By focusing on practices such as employee development, leadership quality, performance management, and reward systems, SHRM can significantly impact employee satisfaction, engagement, and retention. For PT. Naraya Telematika Malang, SHRM can provide a framework for reducing turnover intention and ensuring that the company retains its critical talent, helping it to maintain its competitive position in the market.

However, the problem for PT. Naraya Telematika Malang is the lack of alignment between its SHRM practices and organizational goals. HR policies and practices at the company are often disconnected from its broader strategic vision, leading to employee dissatisfaction, low morale, and ultimately higher turnover. This disconnect occurs in part because HR practices are not customized to address the unique needs of the organization and its workforce. For PT. Naraya Telematika Malang, this issue poses a significant barrier to its ability to improve retention, as employees who do not see a clear connection between their roles and the company's strategic objectives are more likely to feel disengaged and consider leaving for other opportunities. Therefore, the company needs to re-examine its HR practices and ensure they are integrated with the overall business strategy to improve employee retention.

The recruitment and selection process is a cornerstone of SHRM and plays a pivotal role in employee retention. Recruitment is the first step in ensuring that employees are aligned with the organization's values, goals, and culture. At PT. Naraya Telematika Malang, effective recruitment is critical not only for filling technical positions but also for ensuring that employees are culturally fit and can thrive within the organization. A strong recruitment strategy that targets candidates who align with the company's core values, mission, and culture increases the likelihood of a good employee-company fit, which can significantly reduce turnover intention (Wijaya & Suryanto, 2022).

However, the problem at PT. Naraya Telematika Malang is that the recruitment process has not been as effective as it could be. The company may be focusing too heavily on technical skills while underemphasizing the importance of cultural fit and long-term potential. In a fast-paced and technology-driven industry like telecommunications, technical competence alone is not enough for long-term success. Employees who are not aligned with the organization's culture and goals are more likely to experience dissatisfaction and leave the company. PT. Naraya Telematika Malang should focus on refining its recruitment processes to assess not only technical skills but also candidates' potential for growth and cultural fit. By doing so, the company can increase the chances of attracting employees who are more likely to stay with the organization and contribute to its long-term goals.

Training and development are key elements of SHRM that significantly influence employee satisfaction, motivation, and retention. A well-structured training program enables employees to enhance their skills, become more confident in their roles, and increase their job satisfaction. In technology-driven companies such as PT. Naraya Telematika Malang, where employees need to stay updated with the latest advancements in technology, continuous training is essential for maintaining both employee competence and job satisfaction. Employees who are provided with opportunities to develop new skills and advance in their careers are less likely to seek employment elsewhere (Ramadhan et al., 2021).

The problem at PT. Naraya Telematika Malang lies in the lack of consistent and comprehensive training programs. While some training opportunities are provided, they are often inconsistent across departments and do not always align with employees' career aspirations. Furthermore, employees often feel that there are limited opportunities for career progression, which makes them more likely to explore alternative job opportunities. To address this issue, PT. Naraya Telematika Malang should invest in creating structured, regular training programs that are aligned with both company needs and employees' career development goals. Offering employees opportunities for continuous learning and growth will increase their commitment and satisfaction, reducing their intention to leave.

Performance appraisal systems are crucial for assessing employee contributions, providing feedback, and linking individual performance to rewards and career advancement. A transparent, fair, and consistent performance appraisal system can help employees understand how their work contributes to organizational success and what they need to do to advance in their careers. This transparency not only helps to enhance motivation and engagement but also reduces turnover intentions by creating clear expectations and pathways for career growth (Rachman & Dewi, 2023).

However, the problem at PT. Naraya Telematika Malang is that the performance appraisal process is often unclear and inconsistent. Employees sometimes feel that the appraisal system lacks transparency, and they may not always receive timely feedback on their performance. This inconsistency can create frustration and lead to disengagement, which ultimately contributes to an increased intention to leave. To address this challenge, PT. Naraya Telematika Malang needs to standardize its performance appraisal system and ensure that it is transparent and aligned with organizational goals. Providing timely and constructive feedback, as well as linking performance to tangible rewards and career progression, will help improve employee morale and reduce turnover intentions.

Compensation and reward systems are fundamental to employee motivation, satisfaction, and retention. Offering competitive salaries, bonuses, and benefits ensures that employees feel valued and appreciated, which significantly impacts their decision to stay with the company. When employees perceive that their compensation is fair and aligned with industry standards, they are more likely to remain committed to the organization. PT. Naraya Telematika Malang must ensure that its compensation package remains competitive to retain top talent in a competitive industry like telecommunications (Hidayat & Nugroho, 2022).

The problem at PT. Naraya Telematika Malang is that employees may perceive the company's compensation system as insufficient or inequitable compared to other organizations in the sector. Employees who feel underpaid or undervalued are more likely to leave the organization in search of better compensation elsewhere. To address

this issue, PT. Naraya Telematika Malang needs to ensure that its compensation system is competitive, transparent, and equitable. Regularly reviewing compensation packages to ensure they meet industry standards and addressing any perceived inequities will help the company retain its most valuable employees and reduce turnover intentions.

Employee engagement is a key driver of retention, as engaged employees are more likely to feel connected to the organization and its goals. Engaged employees tend to be more motivated, proactive, and committed, making them less likely to seek alternative job opportunities. Organizational culture also plays a significant role in shaping employee engagement. A supportive organizational culture, where employees feel valued and supported, enhances their sense of belonging and reduces turnover intentions (Santoso et al., 2022). PT. Naraya Telematika Malang must cultivate a culture that encourages open communication, recognition, and teamwork to enhance engagement and retain its employees.

The problem at PT. Naraya Telematika Malang is that its organizational culture may not always foster high levels of employee engagement. In particular, some employees may feel disconnected from the company's mission or feel that their contributions are not sufficiently recognized. This lack of engagement can lead to dissatisfaction and increased turnover intentions. To address this, PT. Naraya Telematika Malang must strengthen its organizational culture by emphasizing recognition, teamwork, and employee well-being, and by ensuring that employees feel valued and connected to the company's goals. This will enhance employee engagement and significantly reduce turnover intention.

### **Research Method**

This study employs a qualitative descriptive research design to explore the impact of SHRM on employees' intention to leave. Qualitative methods are suitable for capturing detailed insights into employees' perceptions, experiences, and organizational dynamics (Creswell, 2021).

Data collection involved semi-structured interviews, observation, and document analysis. Interviews were conducted with HR managers, team leaders, and employees to examine experiences with recruitment, training, performance appraisal, compensation, engagement, and other HR practices. Open-ended questions allowed respondents to share in-depth insights and specific examples.

Observation focused on employee interactions, communication patterns, and engagement with HR practices. Observation helped validate interview data and provided contextual understanding of SHRM implementation.

Document analysis included reviewing HR policies, employee handbooks, training records, performance appraisal documents, and internal memos. This enabled triangulation and verification of interview and observational data.

Data analysis followed Miles & Huberman's (2020) interactive model, involving data reduction, data display, and conclusion drawing. Coding was conducted in three stages: open coding to identify factors, axial coding to explore relationships between SHRM practices and turnover intention, and selective coding to highlight dominant themes. Triangulation ensured validity, credibility, and rigor.

### **RESULTS AND DISCUSSION**

The study highlighted several key Strategic Human Resource Management (SHRM) practices at PT. Naraya Telematika Malang that significantly influenced

employees' intention to leave the organization. These practices included recruitment and selection, training and development, performance appraisal systems, compensation and rewards, employee engagement, organizational culture, and work-life balance. Each of these factors played a critical role in either reinforcing employees' commitment or contributing to turnover intentions.

### **Recruitment and Selection**

The process of recruitment and selection was found to have a direct impact on employees' intention to leave. Employees who felt that their competencies, values, and personal goals were in alignment with the organization's culture and mission were much less likely to consider leaving. A good cultural fit led to higher levels of job satisfaction, motivation, and engagement, which in turn reduced the intention to leave. However, a mismatch between the individual's expectations and the organization's values and culture led to dissatisfaction, disengagement, and a higher likelihood of turnover. As Wijaya & Suryanto (2022) pointed out, ensuring a proper fit between the employee and the company can minimize turnover intentions by fostering a sense of belonging and alignment with the company's long-term goals.

At PT. Naraya Telematika Malang, the recruitment process has sometimes lacked focus on cultural fit. Some employees feel that while their technical skills were prioritized, their personal values or goals did not align with the organizational culture. This has led to disengagement and a desire to seek better opportunities elsewhere. The company needs to adopt a more holistic recruitment approach that emphasizes both competence and cultural fit, ensuring that new hires are not only technically skilled but also aligned with the organization's core values.

### **Training and Development**

The study found that training and development are essential in reducing turnover intentions. Employees who had access to continuous learning opportunities and professional development reported significantly lower turnover intentions. They felt that they were valued by the organization, and were more motivated to remain, seeing opportunities for career progression. When employees felt that they had the chance to expand their skills, enhance their competence, and advance in their careers, they were more likely to stay committed. This aligns with Ramadhan et al. (2021), who emphasized the direct correlation between access to training and employee retention.

However, inconsistent access to training programs across departments at PT. Naraya Telematika Malang created gaps in perceived career growth opportunities. Some employees felt they were receiving ample development opportunities, while others felt left behind, contributing to frustration and discontent. This inequality led to turnover intention, as employees in departments with fewer opportunities for training saw fewer prospects for professional growth.

To address this issue, PT. Naraya Telematika Malang should standardize and expand its training offerings, ensuring that all employees have access to regular, comprehensive development opportunities. Training programs should be tailored to meet the specific needs of different departments and should align with both organizational needs and employees' career development goals. Creating a culture of continuous learning would empower employees and reduce their intention to leave by enhancing their skills and providing pathways for career advancement.

### **Performance Appraisal Systems**

Performance appraisal systems are crucial for determining how employees perceive their contributions and whether they are fairly recognized for their work. The study found that transparent, consistent, and fair performance appraisals were associated with lower turnover intentions. When employees felt that their performance was being evaluated fairly, and that their achievements were recognized and rewarded, they felt more motivated and engaged. In contrast, employees who perceived the appraisal process as unclear, biased, or inconsistent experienced higher levels of dissatisfaction, leading them to consider leaving the organization (Rachman & Dewi, 2023).

At PT. Naraya Telematika Malang, employees expressed concerns regarding the lack of transparency and inconsistency in the performance appraisal process. Some employees reported that they did not receive regular feedback, or that feedback was vague and did not provide actionable insights for improvement. This left employees uncertain about their standing in the organization, contributing to frustration and the desire to seek other opportunities.

To mitigate these issues, PT. Naraya Telematika Malang must standardize and improve its performance appraisal system to ensure fairness, clarity, and consistency. Clear, structured feedback that links performance to rewards and career advancement would foster a stronger connection between employees and the organization. Regular feedback, coupled with the recognition of achievements, can also enhance employee morale and reduce turnover intention.

### **Compensation and Rewards**

The study highlighted that compensation and rewards were critical factors in influencing retention. Employees who felt that they were fairly compensated for their work—both in terms of salary and non-monetary rewards such as bonuses, recognition, and benefits—were less likely to leave the organization. Competitive compensation packages that reflect industry standards foster commitment and loyalty, while perceived inequities or delays in recognition can trigger dissatisfaction and prompt employees to explore opportunities elsewhere (Hidayat & Nugroho, 2022).

However, employees at PT. Naraya Telematika Malang often expressed concerns about inadequate compensation or delayed rewards. Many employees felt that their efforts were not being recognized appropriately or that their salaries did not reflect the value they brought to the organization. This contributed to low morale and increased turnover intentions.

PT. Naraya Telematika Malang should conduct a thorough review of its compensation policies to ensure they are in line with industry standards and fairly reflect employees' contributions. Transparent and timely recognition of achievements, coupled with equitable compensation, will help improve employee satisfaction and retention. Employees who feel fairly compensated are more likely to remain committed to the organization and less likely to seek opportunities elsewhere.

### **Employee Engagement**

Employee engagement was found to play a mediating role in the relationship between SHRM practices and employees' intention to leave. Employees who were highly engaged in their work reported higher levels of job satisfaction, commitment, and loyalty, while those with lower engagement were more likely to leave. Engagement is driven by factors such as leadership support, recognition, and involvement in decision-

making (Alfiansyah et al., 2022). Engaged employees tend to take more ownership of their work and show greater resilience during challenges.

However, engagement levels at PT. Naraya Telematika Malang varied significantly depending on leadership practices and recognition systems. Employees who felt supported by their leaders and acknowledged for their contributions were highly engaged, whereas those who felt neglected or unsupported were disengaged. This lack of engagement resulted in increased turnover intention.

To improve engagement, PT. Naraya Telematika Malang should foster a more inclusive environment where leadership support is consistent and recognition is timely and meaningful. By empowering employees through participation in decision-making and providing regular feedback and recognition, the company can enhance engagement levels and reduce turnover risk.

### **Organizational Culture and Leadership**

Organizational culture and leadership style play a pivotal role in shaping employees' perceptions of their workplace and their decision to stay or leave the organization. As highlighted in the study, transformational leadership emerged as one of the most significant factors in promoting employee retention. Transformational leaders inspire and motivate employees by creating a compelling vision, providing support, and fostering an environment of trust, collaboration, and innovation. These leaders encourage employees to embrace change, challenge the status quo, and align their personal goals with the organization's objectives. Employees working under such leadership feel a strong emotional connection to the organization, which not only boosts job satisfaction but also enhances commitment and engagement. As a result, employees in organizations with transformational leadership are less likely to have turnover intentions (Santoso et al., 2022).

In contrast, when organizations maintain rigid hierarchical structures, poor communication, and inconsistent leadership practices, employee morale tends to suffer. Employees who work in environments where their voices are not heard, feedback is infrequent or unclear, and leadership is perceived as distant or uninvolved often experience disengagement and frustration. This lack of support, combined with a restrictive work environment, can result in an increased desire to leave. Poor leadership and weak organizational culture often contribute to high turnover rates, as employees feel their personal and professional growth is stifled, and their contributions are undervalued.

At PT. Naraya Telematika Malang, the study revealed a divergence in leadership effectiveness across departments. While some departments thrived due to the presence of supportive leaders who provided direction, feedback, and encouragement, other departments struggled under rigid leadership structures that lacked the flexibility and engagement necessary for fostering high employee satisfaction. In particular, employees in these departments expressed dissatisfaction with the way communication was handled. Leaders were often perceived as detached from daily operations, and employees felt they had limited opportunities to contribute to decision-making processes. This led to a disconnect between leadership and employees, resulting in lower engagement levels and an increase in turnover intention.

To address these challenges, PT. Naraya Telematika Malang must actively promote transformational leadership practices across all levels of the organization. Leaders need to provide consistent feedback, engage employees in decision-making,

and encourage open communication to create a work environment where employees feel valued, supported, and motivated. Implementing leadership development programs that focus on coaching, mentoring, and building emotional intelligence will be crucial in shaping a leadership style that can foster a more supportive and dynamic organizational culture. By encouraging a more collaborative atmosphere and empowering employees, the company can reduce turnover intentions and increase employee satisfaction. Additionally, fostering a culture where employees are encouraged to share ideas, take initiative, and participate in the decision-making process will cultivate a sense of ownership and belonging, which are vital for long-term retention.

### **Work-Life Balance**

Work-life balance has increasingly become a critical factor influencing employee retention, especially in today's fast-paced work environment. The study found that employees who were able to maintain a healthy balance between their personal and professional lives were significantly more likely to stay with the company. In contrast, employees who experienced excessive workloads, tight deadlines, and high stress levels reported feeling overwhelmed and disconnected from the organization. As Hendri (2021) highlighted, a lack of work-life balance can lead to burnout, stress, and an overall reduction in job satisfaction, which directly increases the likelihood of employees considering leaving the company.

Employees at PT. Naraya Telematika Malang expressed concern over the workload pressures, particularly during peak production periods. During these times, employees were expected to take on additional responsibilities without sufficient rest or flexibility. This not only resulted in physical and emotional exhaustion but also impacted overall productivity and job satisfaction. The absence of flexible working hours and remote work options exacerbated these issues, as employees found it difficult to manage their personal commitments alongside their work demands. This lack of balance led to an increased desire to leave for companies that offered more flexible work arrangements and supportive policies aimed at improving employees' well-being.

Furthermore, the absence of work-life balance also contributed to a sense of disconnection from the organization. Employees who struggled to balance their work and personal lives were less likely to feel engaged or committed to the organization. This sense of alienation often leads to decreased morale and, eventually, a decision to leave the company in search of a healthier work environment that respects employees' personal time and well-being.

To mitigate these issues, PT. Naraya Telematika Malang should prioritize work-life balance by implementing policies that promote flexibility and employee well-being. Flexible working hours, the option to work remotely, and more accommodating scheduling could significantly reduce burnout and help employees manage their workloads more effectively. Furthermore, encouraging employees to take adequate breaks and vacation time would ensure that they remain mentally and physically healthy, thus improving both their performance and job satisfaction. Offering family-friendly policies, such as support for childcare or eldercare, could also enhance employees' ability to balance work and personal life, making them feel more valued and supported by the organization.

Moreover, PT. Naraya Telematika Malang should consider conducting regular surveys or feedback sessions to better understand employees' needs regarding work-life balance. By actively listening to employees and adjusting policies accordingly, the

company can build a culture of support that will not only enhance retention but also improve overall productivity and employee morale. Ensuring that employees feel their personal well-being is prioritized will create a more engaged workforce that is less likely to experience burnout and more likely to remain loyal to the organization for the long term.

In conclusion, improving organizational culture through transformational leadership and prioritizing work-life balance are essential strategies for reducing turnover intention at PT. Naraya Telematika Malang. A positive work environment that fosters trust, open communication, and employee empowerment, combined with policies that support flexibility and work-life integration, will strengthen employee retention and ensure the long-term success and sustainability of the organization. By aligning organizational practices with employee needs, PT. Naraya Telematika Malang can build a resilient, motivated, and loyal workforce that is committed to the company's goals and values.

### **Conclusion**

Employees' intention to leave at PT. Naraya Telematika Malang is influenced by multiple SHRM practices, including recruitment and selection, training and development, performance appraisal, compensation, engagement, culture, leadership, and work-life balance. Effective implementation of these practices reduces turnover intention and enhances employee retention.

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