ABSTRACT

This study aims to explore the indirect influence of entrepreneurial leadership on employee turnover intention through affective commitment while examining the moderating effect of perceived organizational support. The Structural Equation Modeling (SEM) approach was employed with 120 respondents in startup companies. The results indicate that entrepreneurial leadership has a negative and significant influence on employee turnover intention, with affective commitment mediating this relationship. Furthermore, perceived organizational support significantly moderates the negative correlation between affective commitment and turnover intention. The implication is that startup companies can reduce employee turnover intention to operate more effectively.

Keywords: Affective Commitment; Entrepreneurial Leadership; Perceived Organizational Support; Startup; Turnover Intention

ABSTRAK

Penelitian ini bertujuan mengeksplorasi pengaruh kepemimpinan kewirausahaan terhadap niat pergantian karyawan melalui komitmen afektif, dengan menguji efek dukungan organisasi yang dirasakan. Pendekatan Structural Equation Modeling (SEM) digunakan dengan 120 responden dalam perusahaan startup. Hasil menunjukkan kepemimpinan kewirausahaan berpengaruh negatif terhadap niat pergantian karyawan, dengan komitmen afektif memediasi hubungannya. Dukungan organisasi memperkuat korelasi negatif antara komitmen afektif dan niat pergantian karyawan. Implikasinya, perusahaan startup dapat mengurangi niat pergantian karyawan untuk beroperasi lebih efektif.

Kata Kunci: Komitmen Afektif; Kepemimpinan Kewirausahaan; Dukungan Organisasi; Rintisan; Niat Berpindah
INTRODUCTION

The Government of Indonesia has launched several programs to support the development of startups in Indonesia through the Creative Economy Agency (Bekraf), the 1000 Digital Startups program, Startup Accelerator program, Indonesia Startup Exchange, and the provision of Co-Working Space facilities. This has positioned Indonesia as the 6th country in the world with the most startups, totaling 2,500, making it the country with the highest number of startups in Southeast Asia (startupranking.com). However, this trend is not in line with the high turnover rate among employees for various reasons such as intense competition, mismatched company policies, limited career development opportunities, inadequate rewards and incentives, and poor leadership styles (Chiat & Panatik, 2019; Yang et al., 2019).

High turnover rates result in both direct and indirect losses related to recruitment and training costs, as well as the loss of organizational knowledge and cohesive culture (Robinson et al., 2014). Nevertheless, companies must continue to operate and grow as primary drivers of innovation and job creation (Ruiz et al., 2016). Many studies have revealed that entrepreneurial leadership is crucial for success and sustainability in facing a business environment filled with uncertainty (Daily et al., 2002). Entrepreneurial leadership highlights a leader's behavior and ability to quickly respond to dynamic changes, which are common characteristics of successful leaders and entrepreneurs (Zaech & Baldegger, 2017).

Entrepreneurial leadership plays a significant role, particularly in startup businesses, as a leadership style that can be applied to both mature and emerging companies (Yang et al., 2019). Fierce competition and the proliferation of startups require companies to continuously innovate and implement fitting leadership styles to create a conducive work environment and foster an ethical climate to increase affective commitment and reduce employee turnover rates (Demirtas & Akdogan, 2015). Turnover intention often results in the loss of competent human resources, which negatively impacts organizations (Yang et al., 2019). When employees leave, they take not only knowledge, experience, and skills but also relative resources and social capital.

Numerous studies have explored the relationship between turnover intentions and various leadership styles. For instance, empirical findings by Gyensare et al. (2016) demonstrated a positive relationship between transformational leadership and turnover intention. Demirtas and Akdogan (2014) examined a mediation model between ethical leadership and turnover intention. Meanwhile, Azanza et al. (2015) employed structural equation modeling to test the mechanism between authentic leadership and turnover intention.

This study places entrepreneurial leadership as the central role in a company's success, initiating a vision, mobilizing employees, and gaining their commitment. Entrepreneurial leadership can inspire employees to discover and create strategic value, aiming to promote better business performance for the company. Consequently, employees are less inclined to resign due to intense affective commitment, resulting in a low employee turnover ratio.

Affective commitment, in itself, can act as a factor in reducing employee turnover intentions. In this context, entrepreneurial leadership is believed to influence affective commitment by framing attainable challenges and inspiring employees to commit to working hard (Yang et al., 2019). Prior research has stated that individual characteristics, organizational characteristics, and job-related characteristics are antecedents of affective commitment (Mowday et al., 2013). Leadership is one of the organizational factors
considered a key determinant. Entrepreneurial leadership affects affective commitment by framing attainable challenges and inspiring employee commitment to work hard.

Affective commitment is the dimension most directly correlated with organizational commitment as it is considered the most consistent and robust antecedent of turnover intention (Perryer et al., 2010; Meyer et al., 2002). Joarder, Sharif, and Ahmed (2011) investigated the relationship between affective commitment and turnover intention and found that affective commitment negatively and significantly correlates with employee turnover intention. Employee commitment allows them to perform tasks and responsibilities within the organization more effectively. Employees with affective commitment tend to complete their responsibilities willingly, without feeling burdened.

To maintain competitive advantages, organizations strive to identify ways to retain talented employees. In the perceived organizational support theory perspective, employee development is closely related to the perceived organizational support that influences their behaviors and attitudes (Eisenberger et al., 1997; Eisenberger & Stinghamber, 2011). Perceived organizational support is considered crucial as it defines an employee’s perception of the benefits they receive from the organization (Baran et al., 2012). Moreover, perceived organizational support is regarded as an employee’s belief that the organization values their contributions and has special considerations for their well-being (Eisenberger & Stinghamber, 2011; Rhoades & Eisenberger, 2002).

Affective commitment is associated with perceived organizational support in the form of fair treatment and job appreciation, resulting in various positive outcomes such as increased commitment, loyalty, and performance (DeConinck & DeConinck, 2017). Perceived organizational support is identified as a key element contributing to positive individual outcomes (Eisenberger & Stinghamber, 2011). Employees who perceive high perceived organizational support are likely to feel obligated to reciprocate by displaying enthusiastic behaviors at work (Kurtessis et al., 2017) and a tendency to remain within the organization.

Over time, research related to entrepreneurial leadership has been extensive, encompassing various aspects such as the relationship between entrepreneurial leadership and employee innovative behavior (Chen, 2015), employee performance (Devarajan et al., 2003; Hmieleski & Ensley, 2007), employee job satisfaction (Li et al., 2014), international human resource management, and global competitive advantage (Ling & Jaw, 2011). Some other studies have focused on entrepreneurial leadership in family companies (Ng & Thorpe, 2010; Kansikas et al., 2012) and the gender role in leadership (Dean & Ford, 2016; Harrison et al., 2015). However, there have been few researchers addressing the impact of entrepreneurial leadership on the employee turnover rate, especially in Indonesian startup companies.

Based on the above phenomena, the main problem in this research is to determine the impact of Entrepreneurial Leadership on the high level of employee turnover and the role of affective commitment and perceived organizational support in reducing turnover intention. Therefore, the following hypotheses can be drawn:

In this study, we explore the intricate dynamics between entrepreneurial leadership, employee turnover intention, and the pivotal role played by affective commitment, all while considering the moderating influence of perceived organizational support. Entrepreneurial leadership, a critical factor in the success of organizations, has a significant negative correlation with employee turnover intention (H1). However, this relationship is not straightforward. Affective commitment emerges as a mediating force, channeling the impact of entrepreneurial leadership on turnover intention (H2). As employees experience this form of leadership, they are inspired to form a strong emotional
attachment to their organization, reducing their inclination to seek alternative employment.

But the story doesn’t end there. Perceived organizational support steps in as a moderator, further influencing the intricate web of relationships. The level of perceived support within the organization can significantly alter the strength of the negative correlation between affective commitment and turnover intention (H3). When employees sense a high degree of organizational support, their commitment becomes more resilient, diminishing the potential for turnover.

In summary, entrepreneurial leadership not only directly affects turnover intention but also operates through affective commitment, which is further shaped by the perceived level of organizational support. This multifaceted interplay underscores the importance of cultivating a supportive organizational environment, where the leadership style aligns with the organization’s goals, and where employees are encouraged to commit emotionally, ultimately reducing turnover and fostering organizational stability and success.

RESEARCH METHOD

This study aims to explore the indirect influence of entrepreneurial leadership on employee turnover intention through affective commitment while examining the moderating effect of perceived organizational support. The Structural Equation Modeling (SEM) approach was employed with 120 respondents in startup companies. The results indicate that entrepreneurial leadership has a negative and significant influence on employee turnover intention, with affective commitment mediating this relationship. Furthermore, perceived organizational support significantly moderates the negative correlation between affective commitment and turnover intention. The implication is that startup companies can reduce employee turnover intention to operate more effectively.

Source: Compiled by the Researcher, 2023

Figure 1. Research Model

In this study, a quantitative approach was adopted to explore the causal relationships among the variables, employing an online questionnaire survey as the primary data collection method. The survey aimed to gauge the perceptions and opinions of 120 employees who had been working at Shopee Indonesia for a minimum of one year. This criterion ensured that respondents could provide insightful and relevant assessments.
of the company’s dynamics and conditions. The data collected from the respondents were analyzed using Structural Equation Modeling (SEM), a robust statistical technique for examining complex relationships between multiple variables.

The measurement of the variables in this research drew upon and adapted established scales from prior studies. Entrepreneurial Leadership, for instance, was assessed using a set of twenty-six items developed based on the work of Huang (2014). These items delved into various aspects of leadership within the organization, such as the tendency of company leaders to set high-performance standards. Turnover Intention, another crucial variable, was evaluated using three items derived from Liang’s (1999) research.

Respondents were asked about their thoughts and feelings regarding their inclination to leave the company. Additionally, Affective Commitment, a key factor in understanding employee attachment, was measured using a concise set of four items adapted from Yao et al. (2008), while Perceived Organizational Support, which can significantly impact employees’ commitment and intentions, was assessed through six items inspired by the work of Eisenberg et al. (1986) and Ling et al. (2006).

These items probed respondents about the frequency and nature of organizational support and recognition for their job contributions. Overall, this comprehensive approach aimed to shed light on the intricate relationships between entrepreneurial leadership, affective commitment, perceived organizational support, and turnover intention in the context of Shopee Indonesia.

RESULTS AND DISCUSSION

The measurement model was constructed with a diagram that facilitated the visualization of the tested causality, featuring arrows indicating the direct relationships between each construct. Figure 2 depicts the results of the measurement model evaluation.

Convergent Validity Test

Outer Loading

To establish the validity of the indicators forming latent variables, it was essential for the indicators to exhibit correlation or outer loadings > 0.70, following Chin (1998) cited in Ghozali (2014). In this study, all indicators demonstrated values exceeding 0.70, with the smallest validity value at 0.701 for the perceived organizational support indicator and the largest at 0.921 for turnover intention. The results of the Outer Loading Test can be observed in Figure 2.
Figure 2. Results of Outer Loading Test

Average Variance Extracted (AVE)
A model is considered robust if the AVE values for each construct exceed 0.50. From the AVE testing output in Table 1, it can be inferred that all constructs for latent variables produced AVE values exceeding 0.50, signifying that convergent validity was met. The results of these calculations are presented in Table 1.

Table 1. Results of Validity and Reliability Testing

<table>
<thead>
<tr>
<th>Variabel</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>Affective Commitment</td>
<td>0,721</td>
<td>0,761</td>
<td>0,863</td>
<td>0,613</td>
</tr>
<tr>
<td>Entrepreneurial Leadership</td>
<td>0,935</td>
<td>0,949</td>
<td>0,978</td>
<td>0,628</td>
</tr>
<tr>
<td>Perceived Organizational</td>
<td>0,777</td>
<td>0,8</td>
<td>0,916</td>
<td>0,645</td>
</tr>
<tr>
<td>Turnover Intention</td>
<td>0,784</td>
<td>0,81</td>
<td>0,875</td>
<td>0,703</td>
</tr>
</tbody>
</table>

From Table 1, it is apparent that both the Cronbach's Alpha and Composite Reliability values for all indicators exceeded 0.700, indicating precision and consistency across measurement.

Discriminant Validity Test (Fornell-Larcker Criterion)
Discriminant validity testing was conducted to evaluate the extent to which constructs in the research model differed and did not overlap. A construct was deemed...
valid if the square root of AVE was greater than the correlations between latent variables (Fornell & Larcker, 1981, cited in Wong, 2013). The results of the discriminant validity test can be seen in Table 2.

Table 2. Results of Discriminant Validity Testing

<table>
<thead>
<tr>
<th>Variabel</th>
<th>Affective Commitment</th>
<th>Entrepreneurial Leadership</th>
<th>Perceived Organizational</th>
<th>Turnover Intention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affective Commitment</td>
<td>0,783</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entrepreneurial Leadership</td>
<td>0,711</td>
<td>0,792</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perceived Organizational</td>
<td>0,672</td>
<td>0,529</td>
<td>0,803</td>
<td></td>
</tr>
<tr>
<td>Turnover Intention</td>
<td>0,733</td>
<td></td>
<td>0,57</td>
<td>0,838</td>
</tr>
</tbody>
</table>

Source: Compiled by the Researcher, 2023

Model Hypothesis Testing

A hypothesis is accepted if its p-value is less than 0.05. Based on the testing results, it was found that the causal relationship between Entrepreneurial Leadership and turnover intention had a coefficient value of -0.804, with a p-value of 0.000. This information is presented in Table 3.

Table 3. Results of Model Hypothesis Testing

<table>
<thead>
<tr>
<th>Model Causality</th>
<th>Path Coefficients</th>
<th>T Statistics</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurial Leadership - Turnover Intention</td>
<td>-0,804</td>
<td>-7,375</td>
<td>0,000</td>
</tr>
</tbody>
</table>

Source: Compiled by the Researcher, 2023

Table 3. indicates that Entrepreneurial Leadership significantly and negatively influenced turnover intention. This study supports prior research findings, such as those by Yang et al. (2019), suggesting that entrepreneurial leadership can motivate employees to take voluntary actions, thereby enhancing job engagement and leading to higher job satisfaction. This, in turn, increases employees' affective commitment and reduces turnover intention.

Mediation Test

Based on the data analysis, it was revealed that Entrepreneurial Leadership indirectly affected turnover intention through affective commitment, with a coefficient of -0.667 and a p-value of 0.000 < 0.05. This is illustrated in Table 4.

Table 4. Results of Mediation Test

<table>
<thead>
<tr>
<th>Model</th>
<th>Original Sample</th>
<th>Standard Deviation</th>
<th>T Statistics</th>
<th>P Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurial Leadership - Affective Commitment - Turnover Intention</td>
<td>-0,667</td>
<td>0,099</td>
<td>-6,715</td>
<td>0,000</td>
</tr>
</tbody>
</table>

Source: Compiled by the Researcher, 2023

Table 4. illustrates that affective commitment significantly mediates the relationship between Entrepreneurial Leadership and Turnover Intention. The negative original sample value implies that higher Affective Commitment levels can help boost Entrepreneurial Leadership values, subsequently reducing Turnover Intention. This study
aligns with previous research (Perryer et al., 2010; Meyer et al., 2002; Joarder et al., 2011), indicating that entrepreneurial leadership influences affective commitment by framing achievable challenges and inspiring employee commitment to work diligently. Affective commitment is the dimension most directly correlated with organizational commitment and consistently strong in reducing turnover intention.

**Moderation Test**

Moderation testing is useful for evaluating whether the relationship between exogenous and endogenous variables can be moderated by a moderator variable. A statistically significant p-value (< 0.05) indicates that the moderator variable has a significant effect. Based on the data analysis results, it is found that the value of the path coefficient is negative (-0.628), and the p-value is 0.000. This is evident in Table 5.

<table>
<thead>
<tr>
<th>Model Causality</th>
<th>Path Coefficients</th>
<th>T Statistics</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Moderating Effect (Perceived Organizational Support)</strong> - Turnover Intention</td>
<td>-0.628</td>
<td>-8.396</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: Compiled by the Researcher, 2023

Table 5. shows that the negative path coefficients imply that perceived organizational support can strengthen the negative correlation between affective commitment and turnover intention. This is in line with the study by DeConinck and DeConinck (2017), indicating that affective commitment, linked to perceived organizational support in the form of fair treatment and job appreciation, results in various positive outcomes such as increased commitment, loyalty, and high performance, ultimately leading to an increased tendency to remain within the organization.

**CONCLUSION**

There are several implications derived from this research. First, this study highlights the importance of entrepreneurial leadership's influence on companies. Companies led by entrepreneurial leaders inspire employees to participate in creating strategic value by maximizing limited resources to achieve corporate goals.

Therefore, leaders as role models must be able to motivate employees to deliver maximum performance. Second, this research also indicates that employee engagement in the company should be supported by emotional attachment to the company, not only to create high performance but also to foster a long-term commitment to the company.

**RECOMMENDATIONS**

This study has several limitations. First, regarding the sample size limited to 120 questionnaires. Although this number meets the sample size requirements, it may be beneficial to increase the sample size or specify the types of startup industries to ensure the specialization of this research.

Second, while this study has revealed the underlying conditions of the relationship between entrepreneurial leadership, affective commitment, perceived organizational support, and turnover intention, it has not examined them in a mediated and moderated model but only partially.
Furthermore, future studies are recommended to analyze using other dimensions of organizational commitment as one of the moderations that strengthen the negative relationship between entrepreneurial leadership and turnover intention.

REFERENCES


