



ANALYSIS OF THE INFLUENCE OF JOB SATISFACTION, TRANSFORMATIONAL LEADERSHIP, AND ORGANIZATIONAL CITIZENSHIP BEHAVIOR (OCB) ON EMPLOYEE PERFORMANCE AND ITS IMPACT ON EMPLOYEE RETENTION IN MANUFACTURING COMPANIES IN INDONESIA

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Abstract

This research aims to analyze the influence of job satisfaction, transformational leadership, and Organizational Citizenship Behavior (OCB) on employee performance and their impact on employee retention in manufacturing companies in Indonesia. Job satisfaction, transformational leadership, and OCB are important variables in human resource management that can influence individual and organizational performance as a whole. This research uses quantitative methods with descriptive and explanatory approaches. Data was collected through a survey involving 300 employees from several manufacturing companies in Indonesia who were selected using purposive sampling. The research results show that the variables of job satisfaction, transformational leadership, and OCB influence employee performance, and employee performance influences employee retention, namely good performance will have an impact on reducing employee retention levels.

Keywords: job satisfaction; transformational leadership; organizational citizenship behavior; employee performance; employee retention

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INTRODUCTION

The Indonesian economy is strategically supported by manufacturing companies. The role of the manufacturing sector in the Indonesian economy continues to increase rapidly, making it one of the main drivers of economic growth. The latest data shows that, although the service sector makes the largest contribution (40.7%) to GDP, manufacturing continues to play an important role in driving productive economic activities, both in terms of exports, job creation, and providing added value to domestic products. Therefore, it is estimated that the contribution of the manufacturing sector to GDP in 2024 will reach 20.5%.

The following is the contribution of manufacturing companies to the Indonesian economy based on GDP in 2024.

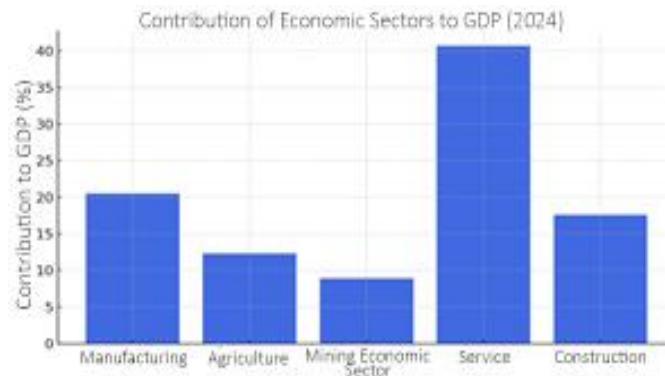


Figure 1. Contribution of Economic Sectors to GDP in 2024
Source: Central Statistics Agency (BPS), 2024

Figure 1 above shows the contribution of various economic sectors to Indonesia's GDP in 2024, showing that the manufacturing sector makes a significant contribution of around 20.5%, making it one of the main drivers of the Indonesian economy. Compared to other sectors, such as services (40.7%) and construction (17.6%), manufacturing remains a vital sector in supporting national economic stability.

The manufacturing sector in Indonesia covers various industries, ranging from food and beverages, textiles, to automotive and electronics industries, in this study the research is on food and beverage manufacturing companies. And here are 10 manufacturing companies in Indonesia in the food and beverage sector.

Table 1. Manufacturing Companies in Indonesia Food and Beverage Sector

No	Company name	Main Products	Location/ Head Office
1	PT Indofood Sukses Makmur Tbk	Instant noodles, dairy products, snacks, spices	Jakarta
2	PT GarudaFood Putra Putri Jaya Tbk	Snacks, biscuits, nuts, ready-to-drink drinks	Jakarta
3	PT Ultrajaya Milk Industry Tbk	Dairy products, ready-to-drink tea	Bandung
4	PT Nestle Indonesia	Milk, chocolate, coffee, baby food	Jakarta
5	PT Siantar Top Tbk	Instant noodles, snacks, light meals	Surabaya
6	PT Kalbe Farma Tbk (Nutrition Division)	Food supplements, health nutrition	Jakarta
7	Coca-Cola Amatil Indonesia	Soft drinks, mineral water	Jakarta
8	PT Nutrifood Indonesia	Health drinks, low fat dairy products	Jakarta
9	PT. Sinar Sosro	Ready to drink tea, herbal drink	Bekasi

Source: various data sources processed, author, 2024

Manufacturing companies attract a large workforce and are key drivers of exports. However, the success of a manufacturing company does not rely solely on advanced technology and production processes. Human resource factors—such as job satisfaction, leadership style, Organizational Citizenship Behavior (OCB), employee performance, and employee retention—play a crucial role in supporting a company's operational performance. Previous research by Park et al. (2022) highlighted that human elements such as transformational leadership and organizational culture significantly contribute to improving loyalty and performance in the manufacturing sector. Similarly, Subroto et al. (2024) found that talent management practices strongly influence employee retention in Indonesian manufacturing firms.

These companies continue to face significant challenges in retaining skilled workers who can meet the evolving demands of the industry. High turnover rates can disrupt operational continuity and hinder productivity. Therefore, it is essential to retain employees by enhancing job satisfaction, implementing effective leadership, and recognizing OCB. Rony et al. (2020) emphasized that wise human resource management can significantly reduce employee resignation. Leong et al. (2022) found that work-life balance and recognition are crucial factors in employee retention in Malaysian manufacturing companies, while Singh

et al. (2023) noted that non-financial incentives such as recognition and development opportunities greatly influence employees' intention to stay.

In manufacturing environments where productivity is often measured by output, the optimal performance of each individual is vital to achieving corporate goals. Employee performance is a reflection of how successfully individuals carry out their duties and responsibilities. Mathis and Jackson (2006) noted that improving both individual and team performance is central to enhancing organizational effectiveness. Herliyanti et al. (2025) found that a supportive work environment, knowledge management, and OCB collectively contribute to improved employee performance in manufacturing settings. Kurniawan (2023) also confirmed a strong positive relationship between job satisfaction and individual performance in the processing industry.

Job satisfaction is one of the most important factors affecting employee productivity, loyalty, and retention. Satisfied employees are generally more motivated, goal-oriented, and committed to their organization. Edmans et al. (2024) argued that increased job satisfaction directly enhances employee productivity and loyalty. Supporting this, Mamatha and Thoti (2023) found that high levels of job satisfaction reduce turnover intentions in India's manufacturing sector.

In a competitive manufacturing environment, transformational leadership plays a pivotal role in driving innovation and organizational adaptation. Transformational leaders inspire and motivate employees to exceed expectations and achieve organizational goals. Den Hartog (2023) described transformational leaders as those who foster trust, admiration, and loyalty. Ariussanto et al. (2020) showed that such leadership enhances employee proactiveness and engagement. Additionally, Agazu et al. (2025) found that transformational leadership fosters a collaborative work culture, which is essential for maintaining productivity in dynamic manufacturing settings.

This study introduces significant novelty in the field of human resource management, particularly within Indonesia's manufacturing industry. While many previous studies have examined the relationships among job satisfaction, transformational leadership, and OCB, this research offers a more integrated and sector-specific perspective. Saad et al. (2024) conducted a meta-analysis that emphasized the mediating role of OCB between job satisfaction and employee performance. Hermawan et al. (2020) also found that work engagement and OCB play a crucial role in enhancing employee productivity in Indonesian manufacturing firms.

Although many studies have explored individual factors such as job satisfaction and leadership, few have investigated how these elements interact with OCB to influence employee performance and ultimately, retention. A case study by Moerad and Suryatni (2025) on PT Telkom Indonesia revealed that an inclusive culture supporting OCB plays a significant role in retaining top talent. Similarly, Lay et al. (2020) argued that organizational trust strengthens the link between OCB and long-term performance.

Moreover, there is a scarcity of studies explicitly examining the impact of OCB on employee performance and retention in the Indonesian manufacturing context, which presents unique cultural and operational dynamics that emphasize teamwork and collectivism. Putri et al. (2021) demonstrated that a strong collective culture amplifies the positive effects of OCB on performance and retention in medium-sized manufacturing firms in Indonesia. Labro and Omartian (2022) also underscored the importance of directly measuring the impact of OCB on productivity and retention in operational contexts such as factories.

In addition to improving employee performance and reducing turnover, OCB contributes to operational efficiency and strengthens corporate culture—both of which are critical in the manufacturing sector where teamwork and collaboration are essential. Banwo et al. (2020) noted that OCB fosters a healthy work environment and boosts employee loyalty. Herliyanti et al. (2025) emphasized that OCB dimensions such as altruism and conscientiousness positively affect supply chain flow and operational output. Clack (2021) added that organizational success depends not only on employees completing their assigned duties but also on their willingness to go above and beyond—supporting colleagues, sharing ideas, providing extra service, and utilizing work time effectively.

Based on the background above, the author is interested in conducting a study entitled "Analysis of the Influence of Job Satisfaction, Transformational Leadership, and Organizational Citizenship Behavior (OCB) on Employee Performance and Its Impact on Employee Retention in Manufacturing Companies in Indonesia"

Based on the background above, the problem formulation in this study is: (1) Does job satisfaction affect employee performance in manufacturing companies in Indonesia? (2) Does transformational leadership affect employee performance in manufacturing companies in Indonesia? (3) Does Organizational Citizenship Behavior (OCB) affect employee performance in manufacturing companies in Indonesia? (4) Does employee performance affect employee retention in manufacturing companies in Indonesia?

Based on the problem formulation above, the objectives of this study are: (1) To determine the effect of job satisfaction on employee performance in manufacturing companies in Indonesia. (2) To determine the influence of transformational leadership on employee performance in manufacturing companies in Indonesia. (3) To determine the influence of Organizational Citizenship Behavior (OCB) on employee performance in manufacturing companies in Indonesia. To determine the influence of employee performance on employee retention in manufacturing companies in Indonesia.

METHOD

This research uses a quantitative approach with a descriptive and explanatory approach. This study was conducted to analyze the Influence of Job Satisfaction, Transformational Leadership, and Organizational Citizenship Behavior (OCB) on Employee Performance and Its Impact on Employee Retention in Manufacturing Companies in Indonesia.

The method of data collection in this study uses a survey research method, the data analysis technique in this study uses statistical analysis using the Smart PLS (Partial Least Square) 3.0 program. The population and sample in this study are employees of manufacturing companies in Indonesia. The technique used in this study is purposive sampling.

The population in this study were employees of manufacturing companies in Indonesia in the food and beverage sector. According to Hasan (2020), a sample is a part of a population taken through certain methods that have characteristics that are considered to be able to represent the population. The sample in this study was 300 employees.

The types and sources of data used in this study are Primary data. Primary data is research data obtained from direct research results in the field, such as respondents' answers describing the Influence of Job Satisfaction, Transformational Leadership, and Organizational Citizenship Behavior (OCB) on Employee Performance and Its Impact on Employee Retention in Manufacturing Companies in Indonesia, for this purpose the researcher used a questionnaire.

The data collection method used in this study is a questionnaire, namely a data collection method by distributing questionnaires (question lists) addressed to respondents.

The data analysis technique of this research uses PLS software version 3.0 (Partial Least Square) which is a variant-based structural equation analysis (Structural Equation Model) that can simultaneously test measurement models and test structural models.

RESULTS

Measurement model testing (outer model) is used to determine the specifications of the relationship between latent variables and their manifest variables. This testing includes convergent validity, discriminant validity and reliability.

According to Ghozali (2018:25) a correlation can be said to meet convergent validity if it has a loading value of > 0.7 . The output shows that the loading factor provides a value above the recommended value of 0.7. However, in the scale development stage of research, a loading of 0.60 is still acceptable. So that the indicators used in this study have met convergent validity (Convergen Validity). The structural model in this study is shown in the following figure:

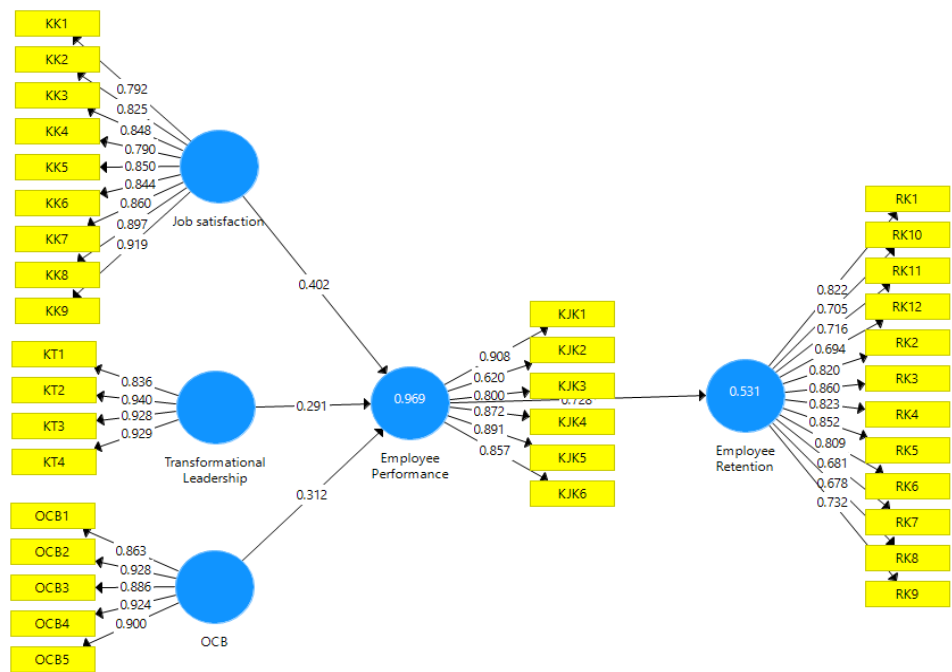


Figure 2. Outer Model, Algorithm Testing

Table 2. Outer Loading

	Employee Performance	Employee Retention	Job satisfaction	OCB	Transformational Leadership
KK1			0.792		
KK2			0.825		
KK3			0.848		
KK4			0.79		
KK5			0.85		
KK6			0.844		
KK7			0.86		
KK8			0.897		
KK9			0.919		
KT1					0.836
KT2					0.94
KT3					0.928
KT4					0.929
OCB1				0.86	
OCB2				0.93	
OCB3				0.89	
OCB4				0.92	
OCB5				0.9	
KJK1	0.908				
KJK2	0.62				
KJK3	0.8				
KJK4	0.872				
KJK5	0.891				
KJK6	0.857				
RK1		0.822			
RK2		0.82			
RK3		0.86			
RK4		0.823			
RK5		0.852			
RK6		0.809			
RK7		0.681			
RK8		0.678			
RK9		0.732			
RK10		0.705			
RK11		0.716			
RK12		0.694			

Based on the data in Table 2, the value can be seen outer loading the lowest in the outer model test results of this study is 0.620 which is in the KJK2 indicator. Referring to the previously determined outer loading limit of 0.7. However, in the scale development stage of research, loading 0.60 is still acceptable. then the results indicate that the model is stated to meet the assumption of convergent validity because the lowest outer loading value obtained is $0.620 > 0.6$.

Table 3. Construct Validity and Reliability

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Job Satisfaction	0.951	0.956	0.958	0.719
Transformational Leadership	0.929	0.93	0.95	0.826
OCB	0.941	0.942	0.955	0.811
Employee Performance	0.907	0.918	0.929	0.69
Employee Retention	0.937	0.944	0.945	0.591

Source: Smart PLS Program Output. 3.0, 2024

The data in Table 3 above shows that the lowest AVE value of the 3 variables is 0.591 which is owned by the employee retention variable. This result shows that the three research variables have met the assumption of discriminant validity because the lowest AVE value obtained is more than 0.5. Meanwhile, the results of the cronbach alpha and composite reliability show that the lowest values are 0.929 and 0.907 owned by the employee retention variable. Thus, these results have also proven that all variables meet the assumption of reliability construct because the lowest cronbach alpha and composite reliability values are > 0.7 .

After conducting the outer model test, it is necessary to carry out an evaluation on the final structural equation model (*inner model*). The inner model test of this research was conducted by looking at the path coefficient and R square values as follows:

Table 4. R Square

	R Square	R Square Adjusted
Employee Performance	0.969	0.969
Employee Retention	0.531	0.529

Source: Output of Smart PLS Program. 3.0, data processed by the author 2024

Based on Table 4 above, it shows that the value R Square for the variable for the employee performance variable is 0.969, the acquisition explains that the percentage of employee performance is 96.9%. This means that the variables of job satisfaction, transformational leadership and OCB have an effect on employee performance of 96.9% and the remaining 3.1% are influenced by other variables, while the R Square value for the employee retention variable is 0.531, the acquisition explains that the percentage of employee performance is 53.1%. This means that the employee performance variable has an effect on employee retention of 53.1% and the remaining 46.9% is influenced by other variables.

Table 5. Inner Model test results

	Original Sample (O)	Sample Mean (M)	Std. Deviation	T Statistics (O/STDEV)	P Values
Job satisfaction → Employee Performance	0.402	0.402	0.03	13,288	0,000
Transformational Leadership → Employee Performance	0.291	0.297	0.069	4,190	0,000
OCB → Employee Performance	0.312	0.307	0.074	4,201	0,000
Employee Performance → Employee Retention	0.728	0.732	0.037	19,474	0,000

Source: Output of Smart PLS Program. 3.0, data processed by the author 2024

Based on Table 5 above, the results of the evaluation of the structural equation model of the relationship between variables are partially explained by the values *path coefficient* can be described as follows: (1) *Path coefficient* hypothesis 1, namely the variable of job satisfaction on employee performance is obtained at 0.402. This value shows that there is an influence of 40.2% ($0.402 \times 100\%$). This result also means that with job satisfaction, employee performance will increase. (2) The path coefficient value in hypothesis 2,

Transformational leadership on employee performance is obtained at 0.291. This value shows that Transformational leadership has an influence of 29.1% ($0.291 \times 100\%$) on employee performance. This result also means that the better the transformational leadership, the better the employee performance. (3) The path coefficient value in hypothesis 3, namely OCB on employee performance, is 0.312. This value shows that OCB has an influence of 31.2% ($0.312 \times 100\%$) on employee performance. This result also means that the better the OCB, the better the employee performance. (4) The path coefficient value in hypothesis 4, namely employee performance on employee retention, is obtained at 0.728. This value shows that employee performance has an influence of 72.8% ($0.728 \times 100\%$) on employee retention. This result also means that the better the employee performance, the lower the employee retention.

This study has 4 hypotheses as the research questions that have been formulated and need to be tested for their truth. Hypothesis testing in this study uses the t-test, namely by comparing the t-statistic value obtained from the bootstrapping test with the critical limit of the t-table value of 1.968 at a significance level of 5% (0.05). The results of the hypothesis test of this study are presented as follows:

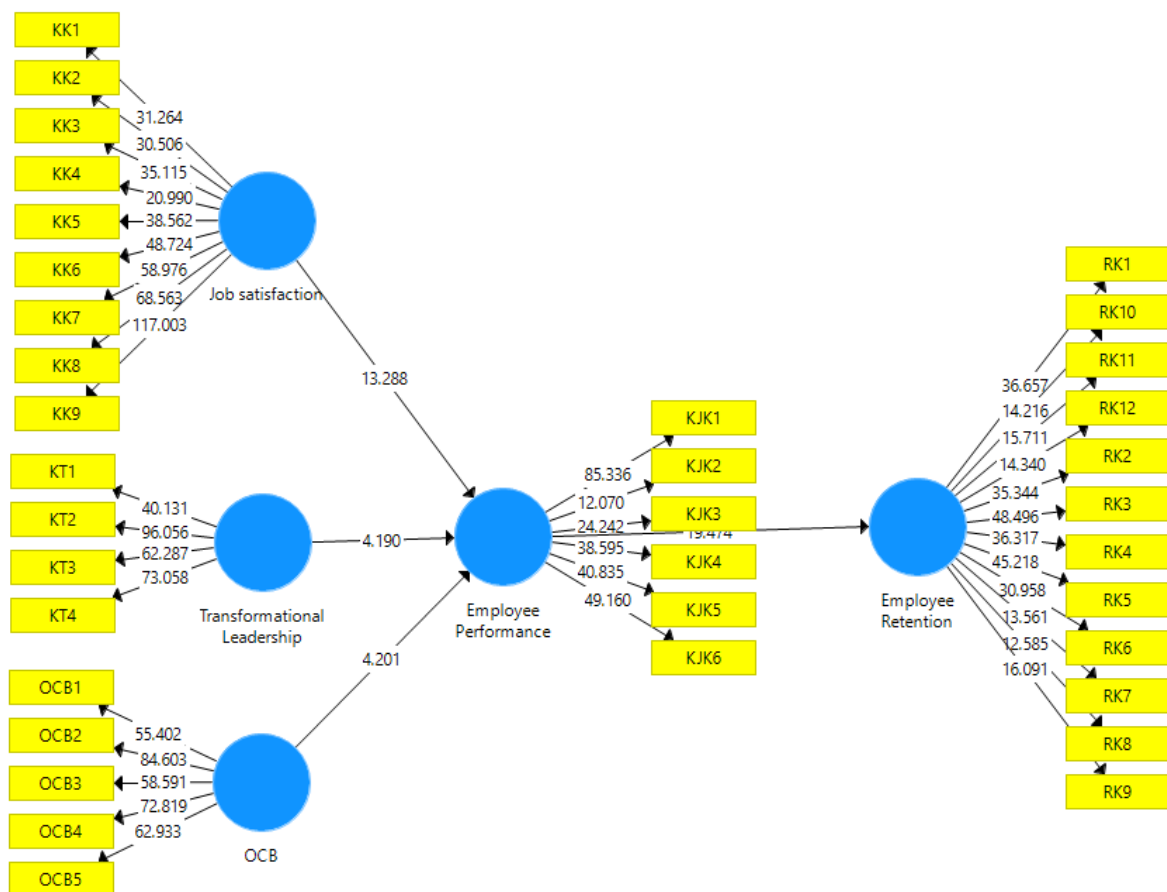


Figure 3. Inner Model, Bootstrapping Testing
Source: Data processed by the author, 2024

Table 6. Results of Direct Influence Test

	Original Sample (O)	Sample Mean (M)	Std. Dev	T Statistics (O/STDEV)	P Values	Note
Job satisfaction → Employee Performance	0.402	0.402	0.03	13,288	0,000	Accepted
Transformational Leadership → Employee Performance	0.291	0.297	0.069	4,190	0,000	Accepted
OCB → Employee Performance	0.312	0.307	0.074	4,201	0,000	Accepted
Employee Performance → Employee Retention	0.728	0.732	0.037	19,474	0,000	Accepted

Source: Output of Smart PLS Program. 3.0, data processed by the author 2024

Hypothesis 1: From the original sample value of 0.402, the t-statistic value of 13.288 and the P-value of 0.000 were obtained. These results prove that job satisfaction has a direct effect on employee retention with a relationship value of 40.2% ($0.402 \times 100\%$). The t-statistic value of $13.288 > t \text{ table } 1.968$ and the P-value of $0.000 < 0.05$ prove that hypothesis 1 in this study is accepted.

Hypothesis 2: From the original sample value of 0.291, the t statistic value of $4.190 > 1.968$ and the P-value of 0.000 were obtained. These results prove that transformational leadership; directly has a positive and significant effect on employee performance with a relationship value of 29.1% ($0.291 \times 100\%$). The t statistic value of $4.190 > t \text{ table } 1.968$ and the P-value of $0.000 < 0.05$ prove that hypothesis 2 in this study is accepted.

Hypothesis 3: From the original sample value of 0.312, the t statistic value of $4.201 > 1.968$ and the P-value of 0.000 were obtained. These results prove that OCB has a direct and significant effect on employee performance with a relationship value of 31.2% ($0.312 \times 100\%$). The t statistic value of $4.201 > t \text{ table } 1.968$ and the P-value of $0.000 < 0.05$ prove that hypothesis 3 in this study is accepted.

Hypothesis 4: From the original sample value of 0.728, the t statistic value of $19.474 > 1.968$ and the P-value of 0.000 were obtained. These results prove that employee performance directly has a significant effect on employee retention with a relationship value of 72.8% ($0.728 \times 100\%$). The t statistic value of $19.474 > t \text{ table } 1.968$ and the P-value of $0.000 < 0.05$ prove that hypothesis 4 in this study is accepted.

DISCUSSION

The findings of this research contribute significantly to the understanding of employee retention in manufacturing companies in Indonesia, particularly within the food and beverage sector. By analyzing the influence of job satisfaction, transformational leadership, and Organizational Citizenship Behavior (OCB) on employee performance, and examining how employee performance affects retention, this study has bridged gaps in existing literature. The results support the hypotheses and provide valuable insights into the factors driving employee retention in this context.

One of the most significant findings of this study is the positive relationship between job satisfaction and employee performance. The path coefficient for job satisfaction to employee performance is 0.402, indicating that job satisfaction influences employee performance by 40.2%. This finding aligns with previous studies that have shown that when employees are satisfied with their work environment, they tend to exhibit better performance (Edmans et al., 2024). Job satisfaction in the context of manufacturing companies in Indonesia can be attributed to various factors such as fair compensation, career development opportunities, a supportive work environment, and recognition. These factors contribute to a positive work attitude, which in turn leads to increased productivity.

These results are consistent with findings by Raziq and Maulabakhsh (2016), who noted that job satisfaction significantly impacts employee performance in industrial firms through workplace conditions and job security. Widyanti et al. (2019) also confirmed that supportive supervision and recognition were strong predictors of job satisfaction, which subsequently enhanced task performance in the Indonesian manufacturing context. Sopiah et al. (2021) found that career development opportunities and organizational support positively influence job satisfaction and performance in East Java-based manufacturing companies. Chen and Li (2020) emphasized that psychological empowerment, as a component of job satisfaction, positively correlates with productivity among factory workers in Taiwan. Yanti et al. (2023) reinforced this by demonstrating that satisfaction with peer collaboration and team harmony led to improved individual output and reduced absenteeism in production facilities in Indonesia.

In Indonesia's manufacturing sector, job satisfaction can also be linked to cultural aspects. The collectivist culture in Indonesia emphasizes the importance of harmonious work relationships, which contributes to the satisfaction of employees in teams. This satisfaction can further motivate employees to perform well, thus benefitting the organization. As found in this study, job satisfaction significantly boosts employee performance, suggesting that manufacturing companies should focus on creating an environment that promotes satisfaction to enhance productivity.

Transformational leadership plays a crucial role in driving employee performance, as evidenced by the path coefficient of 0.291. This result suggests that transformational leadership has a 29.1% influence on

employee performance. Transformational leaders inspire and motivate employees by setting clear visions, fostering a sense of ownership, and encouraging innovation (Den Hartog, 2023). This type of leadership creates an environment where employees feel valued, which, in turn, positively impacts their performance.

Several recent studies support this finding. Sutanto and Kurniawan (2018) demonstrated that transformational leadership significantly influences performance through employee engagement in Indonesian manufacturing companies. Pradhan and Jena (2017) found that transformational leadership boosts individual performance by enhancing psychological empowerment and job satisfaction. Siahaan et al. (2020) emphasized that transformational leadership improves teamwork and communication, which are vital in complex production environments. Rahmadani et al. (2019) further noted that transformational leadership influences affective commitment, which contributes to improved work outcomes in operational teams. Additionally, Nguyen et al. (2022) showed that transformational leaders who promote continuous improvement and learning culture lead to higher levels of innovation and performance in the Vietnamese manufacturing sector, which shares similar regional dynamics with Indonesia. In the manufacturing sector, where adaptation and innovation are key to staying competitive, transformational leaders help organizations navigate challenges and seize new opportunities. Leaders who demonstrate trust, respect, and loyalty build strong relationships with their employees, which encourages higher levels of engagement and performance. This study supports the idea that transformational leadership is critical in enhancing employee motivation, which subsequently results in improved performance.

The results also reveal that Organizational Citizenship Behavior (OCB) has a positive effect on employee performance, with a path coefficient of 0.312, meaning OCB influences performance by 31.2%. OCB refers to voluntary behaviors that are not directly part of an employee's job description but contribute positively to the organization, such as helping colleagues, supporting organizational goals, and maintaining a cooperative work environment (Banwo et al., 2020).

Numerous studies reinforce this finding. Podsakoff et al. (2018) emphasized that OCB directly enhances team effectiveness and performance by fostering a collaborative culture. Setiawan et al. (2020) showed that OCB significantly improves employee performance in Indonesian manufacturing companies through improved interpersonal relationships and mutual assistance among workers. Rahayu and Pertiwi (2022) demonstrated that altruistic behavior and civic virtue among factory workers contribute to higher line efficiency and fewer production errors. Hasibuan et al. (2023) found that OCB supports knowledge sharing and initiative-taking, which are essential in adapting to production changes. Nguyen and Ngo (2019) also confirmed that in high-pressure environments, such as manufacturing, OCB helps mitigate stress and fosters resilience, leading to more consistent performance levels.

In the Indonesian manufacturing context, where teamwork and collaboration are essential for achieving production targets, OCB plays a significant role in improving overall productivity. Employees who engage in OCB are likely to foster a more supportive work culture, which can lead to higher efficiency and reduced operational bottlenecks. This study highlights that OCB is not merely an add-on behavior but a critical factor that enhances employee performance. As organizations face increasing pressure to perform, the role of OCB becomes even more crucial, as it ensures that employees go above and beyond their core responsibilities to support the company's objectives.

Employee performance has a particularly strong effect on employee retention, with a path coefficient of 0.728. This indicates that employee performance explains 72.8% of the variation in employee retention, suggesting a very strong relationship between the two. The higher the employee performance, the less likely the employee is to leave the organization. This finding supports the hypothesis that improving employee performance can lead to reduced turnover rates.

When employees perform well, they tend to be more engaged with the company, develop stronger emotional ties to the organization, and feel a greater sense of accomplishment. These factors contribute to lower levels of dissatisfaction and frustration, which are often the precursors to turnover (Mathis and Jackson, 2006). Furthermore, high performers are often more likely to be recognized and rewarded, creating a positive feedback loop that encourages them to stay with the company.

Recent studies support this perspective. Anwar and Abdullah (2017) found that job performance significantly reduces turnover intention by increasing employees' sense of contribution and belonging in manufacturing firms. Putra et al. (2020) showed that productive employees in Indonesia's industrial sector are more likely to receive career growth opportunities, which enhances their intention to stay. Wijaya and Saputra (2022) confirmed that employee engagement, driven by high performance, strengthens organizational commitment and loyalty. Lee et al. (2018) highlighted that employee recognition and reward systems linked to performance play a critical role in reducing attrition, particularly in high-demand manufacturing settings. Fitriani et al. (2021) revealed that when performance goals are clear and achievable, employees feel more valued and are less likely to seek employment elsewhere. In Indonesia's highly competitive manufacturing environment, where skilled labor is crucial to maintaining production levels, focusing on enhancing employee performance can significantly reduce turnover and improve overall retention.

This study also demonstrates how job satisfaction, transformational leadership, and OCB work synergistically to enhance employee performance. Job satisfaction and transformational leadership both directly affect OCB, which in turn contributes to higher employee performance. The interplay between these factors emphasizes the importance of a holistic approach to human resource management in manufacturing companies. Instead of focusing solely on one element, such as leadership or job satisfaction, companies should recognize the interdependencies between these factors and work on enhancing them simultaneously.

This conclusion is supported by recent studies. Ariani (2016) found that job satisfaction has a direct impact on OCB, and both together significantly affect performance in production teams. Sudiro et al. (2017) demonstrated that transformational leadership not only improves job satisfaction but also enhances OCB, creating a compound effect on employee output. Khattak et al. (2020) emphasized that in high-demand industries like manufacturing, the interaction of leadership style, job satisfaction, and OCB is a major predictor of sustained productivity. Hartini and Mulyana (2022) showed that job satisfaction mediates the effect of leadership on OCB, thereby reinforcing performance outcomes. Ramli et al. (2023) further explained that the alignment of these factors enhances workplace harmony and reduces interdepartmental conflict, which leads to better team performance in labor-intensive settings.

For example, job satisfaction can improve when transformational leaders create a positive work environment that promotes open communication and trust. Similarly, transformational leadership can foster OCB by motivating employees to take on extra roles and responsibilities, thus contributing to the company's success. The integration of these factors underscores the need for companies to consider the whole spectrum of human resource management—from leadership styles to work culture and employee well-being—as a unified strategy to drive performance and retention.

The findings of this study have several practical implications for manufacturing companies in Indonesia. First, companies must prioritize job satisfaction by ensuring that employees feel valued and supported. This can be achieved through fair compensation, career development opportunities, and a positive organizational culture. According to Putri and Hidayat (2018), fostering employee satisfaction through career growth initiatives significantly enhances workforce stability in manufacturing firms. Furthermore, transformational leadership should be nurtured within organizations. Leaders who inspire and motivate employees are likely to see improvements in performance and retention. Training and development programs aimed at fostering transformational leadership skills can be highly beneficial. Research by Wibowo et al. (2019) demonstrated that leadership development programs effectively increase transformational leadership behaviors, resulting in higher employee engagement.

In addition, organizations should foster an environment that encourages Organizational Citizenship Behavior (OCB). This can be done by recognizing and rewarding employees who go beyond their job descriptions to help colleagues and contribute to the company's success. By doing so, companies can cultivate a work culture that is not only productive but also collaborative, which is crucial in industries such as manufacturing where teamwork is essential. Santoso and Fitriani (2021) found that recognition programs significantly boost OCB, thereby improving overall team productivity.

Finally, focusing on employee performance as a key factor in retention is vital. Companies should regularly assess performance and provide feedback, recognition, and incentives to high performers. This approach will help reduce turnover and increase the loyalty of employees to the organization. This is supported

by research from Rahman et al. (2020), who highlighted that continuous performance management and reward systems directly correlate with lower turnover rates in manufacturing sectors. Additionally, Susanto and Pranoto (2022) emphasized that transparent and constructive feedback mechanisms improve employee commitment and reduce resignation intentions.

CONCLUSION

Based on the results of the research conducted and the data analysis explained in the previous chapter, several conclusions can be drawn. First, job satisfaction has a direct and significant influence on employee performance in manufacturing companies in Indonesia. This indicates that the higher the job satisfaction experienced by employees, the better their performance will be. Second, transformational leadership has a positive and significant impact on employee performance in manufacturing companies in Indonesia. Leaders who can provide clear direction and inspire employees to achieve collective goals are instrumental in driving performance improvements. Third, Organizational Citizenship Behavior (OCB) has a direct and significant effect on employee performance. Employees who exhibit OCB, such as helping colleagues or volunteering for additional tasks, significantly contribute to the productivity and success of the company. Finally, employee performance has a direct, positive, and significant impact on employee retention in manufacturing companies in Indonesia. High-performing employees are more likely to remain loyal to the company, thereby reducing turnover rates.

Based on the conclusions outlined above, the researcher offers several suggestions. First, to increase job satisfaction, it is recommended that companies create a conducive work environment and provide fair compensation that aligns with employees' responsibilities and performance. Second, company leaders should be able to clearly communicate the company's vision and mission so that employees understand the organization's long-term goals and their role in achieving these objectives. Leaders should also encourage employee creativity, routinely provide positive feedback on achievements, and inspire employees to reach higher targets. Third, companies should foster collaboration and care for employees by promoting open and empathetic communication among them. Additionally, employees who demonstrate OCB behaviors, such as helping coworkers or volunteering for extra projects, should be recognized. Fourth, good performance should be followed by further development opportunities, such as skill enhancement and a clear career path, so that employees feel they are growing along with the company. Finally, companies should create flexible policies that support work-life balance, as satisfaction in personal life can significantly influence long-term retention.

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