



Article

The Influence of Locus of Control, Social Support Capability and Welfare Benefit on Driver Retention Through Job Embeddedness

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Abstract: Employee retention is a critical factor in organizational sustainability, influencing workforce stability and overall performance. In the context of online transportation services, driver retention has become a pressing issue, affecting service quality and operational efficiency. Traditional retention studies have primarily focused on conventional employment models, overlooking the unique challenges faced by gig economy workers, particularly online drivers. Retention in this sector is influenced by multiple factors, including individual psychological traits, social support, and economic benefits. Despite existing research on employee retention, limited studies have examined the role of locus of control, social support capability, and welfare benefits in shaping job embeddedness and driver retention in online transportation services. This study investigates the direct and indirect effects of locus of control, social support capability, and welfare benefits on driver retention, with job embeddedness as a mediating variable. The findings reveal that locus of control, social support capability, and welfare benefits significantly impact job embeddedness, which in turn influences driver retention. However, welfare benefits alone do not directly affect retention but contribute indirectly through job embeddedness. This study introduces a new perspective by applying job embeddedness theory to online transportation drivers, highlighting how psychological and social factors influence their commitment to the profession. The results provide insights for online transportation platforms to enhance retention strategies by fostering a supportive work environment, strengthening financial incentives, and promoting job embeddedness to improve driver loyalty and long-term engagement.

Keywords: Locus of Control, Social Support Capability, Welfare Benefit, Driver Retention, Job Embeddedness

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1. Introduction

Driver Retention constitute about each individual to maintain the job they have. It happens or appears when the individual motivates themselves to stay with their job even in a difficult work environment. Retaining competent employees is important for an organization. Competent employees need to be retained so that they do not leave the organization and enter a competitor's organization. Retention is an organizational effort so that its employees feel satisfied and get attention from the organization where they work [1]. Employee turnover can be suppressed if the employee retention strategy is implemented properly by the organization. Online Drivers are also still one of the fields of work that is still the choice of many people. Therefore, regardless of the economic

conditions that develop in Indonesia, there are still many individuals who remain with their jobs as Online Drivers.

Many influences that can affect individual retention, researchers are interested in raising the Driver Retention variable [2]. Driver Retention is the ability to survive Online Transportation Drivers as their main job. Here researchers want to know the level of loyalty of Online Transportation Drivers. Almost most Online Transportation Drivers decide not to become Online Transportation Drivers because of many things including the small level of orders received by Online Transportation Drivers. Based on the observation results from Driver Online, the researcher used the Driver retention variable to determine the extent to which the company retains its best Drivers.

Job Embeddedness is a totality of employees who are influenced psychologically, socially, and financially from organizations and communities that influence an individual's choice to stay or leave their job [3]. Job Embeddedness as an attachment to work that makes individuals loyal and continue to work for the company [4]. Work attachment will make individuals loyal and continue to work for their company [5]. Individuals are always willing to devote their energy to keep the company alive because of the awareness that the company needs them.

Social Support Capability is one of the things that influences individual retention because according to [6] they explain that social relationships are relationships between people closest to an individual or often called Significant Others, such as family support. In the study, support from a partner or especially family can be instrumental support [7]. This support can ease the burden of family demands and cause less family conflict, so that the individual can focus more on carrying out their work.

The novelty aspect raised in this study is the use of the Driver Retention variable as an endogenous variable. In several previous studies that have been read by researchers, the retention variable is always associated with Employee Retention and there has not been a single study that uses Online Transportation Drivers. As far as the researcher knows, there has been no study that tests the variables Locus of Control, Social Support Capability and Welfare Benefit on Driver Retention with Job Embeddedness.

2. Materials and Methods

The data collection method used is by using a questionnaire. Questionnaire is an investigation into something that concerns the public interest (many people) carried out by distributing a statement list form, submitted in writing to a number of objects to obtain written answers or responses as needed [8]. The questionnaire is compiled based on the operational definition that has been carried out to explain each variable in the study. To find out the relationship pattern of each variable according to the model, the structural equation system is compiled as follows [9].

Relationship between latent variables

$$JE = \beta_1 LOC + \beta_2 SSC + \beta_3 WB + e$$

$$DR = \beta_4 LOC + \beta_5 SSC + \beta_6 WB + \beta_7 JE +$$

Relationship between indicators and v

Locus of Control (LOC)

$$LOC1 = \lambda_1 LOC + e_1$$

$$LOC2 = \lambda_2 LOC + e_2$$

$$LOC3 = \lambda_3 LOC + e_3$$

Social Support Capability (SSC)

$$SSC1 = \lambda_1 SSC + e_1$$

Driver Retention (DR)

$$DR_1 = \lambda_1 DR + e_1$$

$$DR_2 = \lambda_2 DR + e_2$$

$$DR_3 = \lambda_3 DR + e_3$$

$$DR_4 = \lambda_4 DR + e_4$$

Job Embeddedness (JE)

$$JE_1 = \lambda_1 JE + e_1$$

$$JE_2 = \lambda_2 JE + e_2$$

$$JE_3 = \lambda_3 JE + e_3$$

$$JE_4 = \lambda_4 JE + e_4$$

$$JE_5 = \lambda_5 JE + e_5$$

$$JE_6 = \lambda_6 JE + e_6$$

$$SSC2 = \lambda 2SSC + e2$$

$$SSC3 = \lambda 3SSC + e3$$

Welfare Benefit (WB)

$$WB1 = \lambda 1WB + e1$$

$$WB2 = \lambda 2WB + e2$$

$$WB3 = \lambda 3WB + e3$$

$$WB4 = \lambda 4WB + e4$$

The population in this study is the R4 Online Drivers in East Java as partners of: Gojek, Grab, Maxim and InDriver whose number cannot be determined because it is impossible to obtain data from the four transportation companies, so this population is classified as an infinite population (Infinite Population).

3. Results

Description of Respondent Identity

The data collected in this study were obtained by distributing questionnaires during January - February 2024 to 200 respondents who were the research samples, namely Online Drivers at Online transportation companies in East Java including 50 respondents from GrabCar, 50 respondents from Gocar, 50 respondents from Maxim Car and 50 respondents from InDriver Car. Testing of the research model was conducted using path analysis formed on each relationship path in the construct. The results of testing the research model are shown in Figure 1

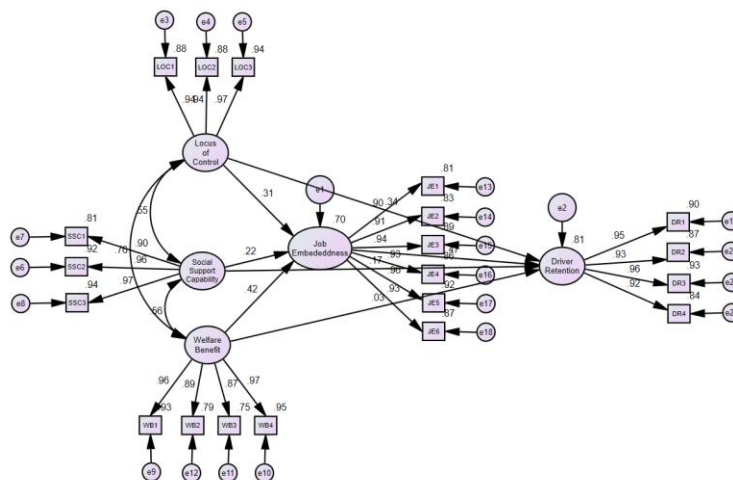


Figure 1. The results of testing the research model

Source: Processed primary data (2024)

Confirmatory Factor Analysis (CFA) is a multivariate analysis method that can be used to confirm whether the measurement model constructed is in accordance with the hypothesis [10]. The factor loading values for each indicator in the construct can be described in the following table 1.

Table 1 : Construct Validity Test Results

Variabel	Indikator	Notasi	Loading Faktor	Cronbach's Alpha	AVE
Locus of Control	Ability	LOC1	0,940	0,965	0,901
	Interest	LOC2	0,936		
	Effort	LOC3	0,971		
Social Support Capability	Emotional Support	SSC1	0,900	0,960	0,890

Variabel	Indikator	Notasi	Loading Faktor	Cronbach's Alpha	AVE
Welfare Benefit	Cognitive Support	SSC2	0,957	0,959	0,855
	Material Support	SSC3	0,971		
	Wages	WB1	0,963		
	Incentive	WB2	0,888		
Job Embeddedness	Allowance	WB3	0,868	0,997	0,863
	Facility	WB4	0,975		
	Links Organization	JE1	0,900		
	Links Community	JE2	0,909		
	Sacrifice Organization	JE3	0,943		
	Sacrifice Community	JE4	0,926		
	Fit Organization	JE5	0,960		
	Fit Community	JE6	0,934		
Driver Retention	Fulfillment of Expectation	DR1	0,947	0,989	0,883
	Induction	DR2	0,931		
	Compensation	DR3	0,963		
	Training and development	DR4	0,917		

Source: Processed primary data (2024)

AVE represents the average amount of variance shared among the indicators of a latent variable relative to the total amount of variance in those indicators. An AVE value of 0.5 or higher is generally considered acceptable, indicating that the latent variable accounts for more of the variance in its indicators than the measurement error [11].

Hypothesis Testing Results

A relationship of influence between variables can be said to be significant if the resulting significance value is <0.05 ($\alpha = 5\%$) and the CR value is >1.96 . The results of hypothesis testing using SEM can be summarized in the following table 2.

Table 2 : Hypothesis Results

	Variabel	Standardize Estimate	S.E.	C.R.	P
JE	<--- SSC	.221	.059	4.147	0.00
JE	<--- LOC	.309	.076	4.432	0.00
JE	<--- WB	.421	.068	5.961	0.00
DR	<--- LOC	.339	.067	5.553	0.00
DR	<--- SSC	.171	.051	3.732	0.00
DR	<--- WB	.026	.061	.414	.679
DR	<--- JE	.472	.069	6.967	0.00

Source: Processed primary data (2024)

Based on table 2, it is said to have a significant effect if the p-value is less than 0.05 or the C.R value is > 1.96 . The direction of the effect can be seen from the large value of the coefficient, if > 0 means it has a positive effect and vice versa. So each research hypothesis can be described as follows.

- a. Hypothesis 1, The path coefficient of Locus of Control (LOC) is positive and significant to Job Embeddedness (JE), because the C.R value of 4.432 is greater than 1.96 and the p-value is $0.00 < 0.05$, so the hypothesis stating that Locus of Control has a significant effect on Job Embeddedness can be accepted [12].
- b. Hypothesis 2, The path coefficient of Social Support Capability (SSC) is positive and significant to Job Embeddedness (JE), because the C.R value of 4.147 is greater than 1.96 and the p-value is $0.00 < 0.05$, so the hypothesis stating that Social Support Capability has a significant effect on Job Embeddedness can be accepted [13].
- c. Hypothesis 3, The Welfare Benefit (WB) path coefficient is positive and significant to Job Embeddedness (JE), because the C.R value of 5.961 is greater than 1.96 and the p-value is $0.00 < 0.05$, so the hypothesis stating that Welfare Benefit has a significant effect on Job Embeddedness can be accepted [14].
- d. Hypothesis 4, The Locus of Control (LOC) path coefficient is positive and significant to Driver Retention (DR), because the C.R value of 5.553 is greater than 1.96 and the p-value is $0.00 < 0.05$, so the hypothesis stating that Locus of Control has a significant effect on Driver Retention can be accepted [15].
- e. Hypothesis 5, The path coefficient of Social Support Capability (SSC) is positive and significant towards Driver Retention (DR), because the C.R value of 3.732 is greater than 1.96 and the p-value is $0.00 < 0.05$, so the hypothesis stating that Social Support Capability has a significant effect on Driver Retention can be accepted [16].
- f. Hypothesis 6, The Welfare Benefit (WB) path coefficient is positive but does not have a significant effect on Driver Retention (DR), because the C.R value of 0.414 is smaller than 1.96 and the p-value of $0.679 > 0.05$, so the hypothesis stating that welfare benefit has a significant effect on Driver Retention cannot be accepted [17].
- g. Hypothesis 7, The Job Embeddedness (JE) path coefficient is positive and significant on Driver Retention (DR), because the C.R value of 6.967 is greater than 1.96 and the p-value of $0.00 < 0.05$, so the hypothesis stating that Job Embeddedness has a significant effect on Driver Retention can be accepted [18].
- h. Hypothesis 8, This figure 2 shows that some of the influence of Locus of Control on Driver Retention is mediated through Job Embeddedness, so that hypothesis 8 in this study is declared acceptable. Thus, Job Embeddedness will increase the magnitude of the influence of Locus of Control on Driver Retention.

Input:		Test statistic:	Std. Error:	p-value:
a	0.309	Sobel test: 3.49504704	0.04172991	0.00047398
b	0.472	Aroian test: 3.46777318	0.04205811	0.00052479
s _a	0.076	Goodman test: 3.52297472	0.0413991	0.00042673
s _b	0.069	Reset all	Calculate	

Figure 2. Locus of Control on Driver Retention

- i. Hypothesis 9, This figure 3 shows that some of the influence of Social Support Capability on Driver Retention is mediated through Job Embeddedness, so that hypothesis 9 in this study is declared acceptable. Thus, Job Embeddedness will increase the magnitude of the influence of Social Support Capability on Driver Retention.

Input:		Test statistic:	Std. Error:	p-value:
a	0.221	Sobel test:	3.28544893	0.00174969
b	0.472	Aroian test:	3.25876974	0.00200963
s _a	0.059	Goodman test:	3.31279429	0.003148762
s _b	0.069	Reset all	Calculate	

Figure 3. Social Support Capability on Driver Retention

j. Hypothesis 10, This Figure 4 shows that part of the influence of Welfare Benefit on Driver Retention is mediated through Job Embeddedness, so that hypothesis 10 in this study is declared acceptable. Thus, Job Embeddedness will increase the magnitude of the influence of Welfare Benefit on Driver Retention.

Input:		Test statistic:	Std. Error:	p-value:
a	0.421	Sobel test:	4.59028422	0.04328969
b	0.472	Aroian test:	4.5635572	0.04354323
s _a	0.068	Goodman test:	4.61748641	0.04303467
s _b	0.069	Reset all	Calculate	

Figure 4. Welfare Benefit on Driver Retention

4. Conclusion

From the results of the questionnaire, the respondents' answers to the average Driver retention variable are in the good category and the indicator that significantly affects the Driver Retention variable is Compensation. This is because the company providing the Online Driver service has provided additional tip options for Drivers, so that consumers can easily tip the Driver after arriving at their destination. Not only that, fair tariff treatment also has a great influence on Driver retention. Drivers feel that their hard work is well appreciated by the company. The application party can maintain and improve the ease of access to the application and carry out continuous innovation in order to retain its best Drivers and the consumers obtained become wider.

The results of this study explain that job embeddedness has the potential to encourage employees to engage in extra-role behavior that provides benefits in increasing the effectiveness and efficiency of the organization. The results of the Locus of Control hypothesis are very much needed by every individual, because the better a person's Locus of Control, the better the individual's self-control will be. This refers to a person's belief that the individual has control over what happens in their life. The results of the construct validity test regarding the Social Support Capability variable show that the lowest indicator is the emotional support indicator. Emotional support is sometimes not in line. Lack of support in other forms such as lack of support in the form of awards, informative support or instrumental support makes Online Drivers feel less appreciated. This will easily make Online Drivers hold a demonstration as a form of protest to the application party. Things that need to be done to increase this emotional support are to give appreciation for Driver performance, and give awards for Driver achievements. Welfare Benefit is a complementary reward both materially and non-materially given based on policy and aims to maintain and improve the physical and mental condition of Human Resources (HR) so that their work productivity increases. With various welfare offers offered by Online applications, Drivers remain with their profession even though there are certain conditions that cause the demand for Online application Drivers to increase or decrease.

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FUNDING INFORMATION (mandatory) (12 PT)

Authors state no funding involved.

AUTHOR CONTRIBUTIONS STATEMENT (mandatory) (12 PT)

Name of Author	C	M	So	Va	Fo	I	R	D	O	E	Vi	Su	P	Fu
Jovi Iristian	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Budiyanto		✓				✓		✓	✓	✓	✓	✓		
Suhermin	✓		✓	✓		✓			✓		✓		✓	

C : Conceptualization

M : Methodology

So : Software

Va : Validation

Fo : Formal analysis

I : Investigation

R : Resources

D : Data Curation

O : Writing - Original Draft

E : Writing - Review & Editing

Vi : Visualization

Su : Supervision

P : Project administration

Fu : Funding acquisition

All authors contributed significantly to this study. Jovi Iristian was responsible for conceptualization, methodology, and formal analysis. Budiyanto contributed to data curation, investigation, and validation. Suhermin was involved in supervision, writing—review & editing, and project administration. All authors reviewed and approved the final version of the manuscript.

CONFLICT OF INTEREST STATEMENT (mandatory) (12 PT)

The authors declare that there is no conflict of interest in this research. There are no affiliations, financial, or personal relationships that could influence the results and interpretation of this research. All analyses and conclusions are made objectively based on the data that has been collected and analyzed.

INFORMED CONSENT (if applicable) (12 PT)

Informed consent was obtained from all participants involved in this study. The study ensured the confidentiality and anonymity of the respondents.

DATA AVAILABILITY (mandatory) (12 PT)

The data that support the findings of this study are available from the corresponding author upon reasonable request. The research data are accessible with the author's permission. This can be done via e-mail or by searching the author's institution.

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