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Determinants of Turnover Intention: An Empirical Study of the Effect of Job Satisfaction, Compensation, and Career Development

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ABSTRACT

The purpose of this study is to discuss the determinants of turnover intention, especially in terms of the effect of job satisfaction, compensation, and career development variables. The research used survey method, descriptive and verification. The population is the employees of the Service Division of PT Hexindo Adiperkasa, Tbk. is company listed on the Indonesian stock exchange. The research sample was taken by purposive sampling method. Collecting data using a questionnaire based on Likert Scale and literature study. Data analysis using Structural Equation Model (SEM) with Lisrel 8.71 software. The results showed that the job satisfaction variable (X1) got an estimated value = 0.0062 with t-value = 0.03, the compensation variable (X2) had an estimated value = -0.078 with a t-value = -0.92, and the career development variable (X3) had a value estimation = -0.46 with t-value = -2.00. Taken together, the effect of job satisfaction, compensation and career development on employee turnover intention is shown in the multiple equation structure: $Y = 0.0062X1 - 0.078X2 - 0.46X3$, with a coefficient of determination (R^2) of 19%

Research decision seem controversial, perhaps this is an anomaly because the findings conclude that job satisfaction, partially, has no effect on employee turnover intention, as well as compensation for employee turnover intention is stated to have no effect. The only research variable that has an effect on employee turnover intention is career development, which is stated to have a negative effect which can be interpreted as the lower the level of career development, the higher the level of employee turnover intention, and vice versa. The coefficient $R^2 = 19\%$ explains that the variables of job satisfaction (X1), compensation (X2) and career development (X3) together have an influence on employee turnover intention only with a variation of 19%, while the remaining 81% may be influenced by the variable others not investigated.

Keywords: Turnover Intention, Job Satisfaction, Compensation, Career Development.

1 Introduction

In the era of increasingly fierce global competition, every business organization is required to improve its performance in order to win the competition. This can be done by controlling expenses, innovating processes and products, and improving quality and productivity. The success of the company does not entirely depend on the manager or management of the company, but also on the involvement of employees in the activities and achievement of company goals. Quality human resources are the basic capital of the organization and play a very important role so they really need attention.

One form of employee behavior is turnover intention which leads to the decision to leave his job. Most of the employee turnover has an adverse effect on the organization in terms of costs as well as in terms of lost time and opportunities. Robbins and Judge (2008), high levels of employee turnover can disrupt the efficiency of company management, because employees who have experience and skills when leaving their jobs can disrupt the running of the company.

Based on a report conducted by the Hay Group in 2013, the *turnover rate* of Indonesian employees reached 25.8% and became the country with the third highest employee turnover rate in the world (Octaviani, 2015). In addition, Michael Page Indonesia *Employee Intentions Report* noted that 72% of respondents in Indonesia in 2015 had an interest in changing jobs in the next 12 months (www.michaelpage.co.id, 2015). Based on the results of a survey of about 500 employees in Indonesia, the main reasons for employees looking for new jobs are, among others, a 24% increase in salary, 18% career development, and 17% chance of promotion to a higher position. This is a prediction

of high turnover and it is necessary to develop strategies to strengthen the retention system in order to retain the best talents. Considering the consequences of employee turnover, the company needs to look at it wisely and develop studies to find out how to reduce turnover to an acceptable level.

2 State of the problem

The exit of employees from the company is influenced by many factors. The high rate of employee turnover shows that the company's HR management is less effective, even this has the potential to disrupt the company's operations. PT Hexindo Adiperkasa Tbk, hereinafter referred to as "Hexindo", is a listed company on the Indonesian stock exchange, focusing on the business of heavy equipment trading and rental as well as after-sales service rendering. Hexindo was established on 1988. Hexindo has built a firm position as one of reputable companies in heavy equipment industry.

The company held an Employee Engagement Survey 2018, the results can be used to identify problems, including:

- (1) The employee turnover rate of Hexindo's Service division is quite high, recorded for the last 3 years, namely in 2015-2016 the turnover rate of technician employees reached 11% and decreased to 10% in 2016-2017, then in 2017-2018 the turnover rate of employees rose again to 14%. This can cause problems in the company's operational performance where employees who keep changing lead to performance inconsistencies and besides that the costs incurred by the company in recruiting employees also increase.
- (2) The compensation indicator has a low level of satisfaction, namely 47% of the total score of 100%. This means that there is dissatisfaction with the current compensation scheme so that it can result in the employee's desire to leave the company.
- (3) Satisfaction with career development is quite low, namely 59% of the maximum score of 100%. This means that there is employee dissatisfaction with the current career development system.
- (4) The exit interview questionnaire (2015-2018) indicates that the grading system, compensation and benefits have a low level of satisfaction.
- (5) Career development and promotion have a fairly low level of satisfaction

Based on the description above, the following authors formulate the problem formulation as follows:

- (1) Is there an effect of job satisfaction on turnover intention?
- (2) Is there any effect of compensation on turnover intention?
- (3) Is there any influence of career development on employee turnover intention?
- (4) Is there a joint effect of job satisfaction, compensation and career development on turnover intention?

Symmetrical with that, the purpose of this research is to find out, analyze and prove:

- (1) The effect of job satisfaction on turnover intention.
- (2) Effect of Compensation on Turnover Intention
- (3) Effect of Career Development on Turnover Intention
- (4) The effect of job satisfaction, compensation and career development together on employee turnover intention

Many factors influence turnover intention, but in this case the author limits the discussion to the effect of job satisfaction, compensation, and career development on turnover intention.

3 Theoretical Review and Previous Research

(1) Employee Turnover Intention

Turnover intention is the attitude tendency or the degree to which an employee has the possibility to leave the organization or resign voluntarily from his job (Bluedorn, 2001), is the intensity of the desire to leave the company (Harnoto, 2002), is the process of individuals assessing the organization and deciding to leave the organization's membership (Zhang, 2016).

Abbasi and Hollman (2000) revealed the factors that underlie employees leaving their jobs (1) *hiring practice*, namely how the new employee fits with job needs, (2) *managerial style*, (3) *low rewards*, (4) *low compensation*, and (5) *toxic workplace environment*, namely the conditions of the work environment that can affect employees in maintaining their jobs. Ongori (2007) found that the source of employee turnover is divided into two factors, namely factors related to work and organizational factors. Factors related to work are (1) work-related experience (job stress), low commitment, and job dissatisfaction, (2) individual factors, which refer to a sense of helplessness, *locus of control*, and *personal control*, and (3) economic factors. While the factors related to the organization are (1) an unpredictable work

environment, (2) organizational instability, (3) low communication between workers and management, and (4) remuneration system.

From the several definitions of turnover intention above, it can be concluded that turnover intention is the desire or intention of employees to leave or resign from their jobs. It is easy to understand that turnover intention is the result of an individual's evaluation of the continuation of his working relationship with the company that has not been realized in the act of leaving the company.

Mobley (2011) mentions several factors that influence *turnover intention*, namely (1) individual characteristics, namely that individual characteristics are a psychological process that affects the interests, attitudes and needs that a person brings in a work situation, individual characters that affect the desire to change jobs between other factors such as age, marital status, and education, (2) work environment, namely that the work environment can include the physical and social environment, the physical environment includes conditions of temperature, weather, construction, buildings, and work locations, while the social environment includes socio-cultural conditions in the workplace, work environment, and quality of work life, (3) job satisfaction, namely that at the individual level, satisfaction is the most frequently studied psychological variable in an *intention to leave* model. and promotion, satisfaction n towards supervisors, satisfaction with co-workers and satisfaction with work and work content, (4) company commitment, namely that further developments in the study of *intention to leave* include the construct of corporate commitment as a concept that also explains the process as a form of behavior, company commitment can be distinguished from job satisfaction, commitment refers to an individual's emotional (*affective*) response to the whole company, whereas satisfaction refers to an emotional response to a specific aspect of the job.

Based on the various opinions above, it can be defined that employee turnover is the result of individual evaluations in the form of a desire to stop working and resign from the company but has not been realized in action.

Turnover intention actually has a broad scope covering the entire intention or plan of withdrawal actions carried out by employees. The study uses benchmarks such as Abelson's suggestion cited by Mulyapradana (2012) that the turnover intention variable consists of several dimensions and indicators (1) *thinking of quitting* includes (a) *thoughts of leaving*, (b) desire to find other job vacancies, (2) *intention to search*, namely evaluating the possibility to find a decent job elsewhere, and (3) *intention to quit*, namely the desire to leave the company.

(2) Job satisfaction

Job satisfaction is a set of favorable or unfavorable feelings with which employees view their work. Job satisfaction is a feeling of relative pleasure or pain ("I enjoy having a variety of tasks to do") that differs from objective thoughts ("My work is complex") and behavioral intentions ("I plan to quit this job in three months"). When employee join an organization, they bring with them a set of wants, needs, desires, and past experiences that combine to form job expectations. Job satisfaction expresses the amount of agreement between one's emerging expectations and the rewards that the job provides, so it also relates closely to equity theory, the psychological contract, and motivation (Davis and Newstrom, 1985). Job satisfaction theory tries to explain how employees get satisfaction compared to other employees who are dissatisfied with their jobs. Greenberg and Baron (2003) describe job satisfaction as a positive or negative attitude that is carried out by individuals towards their work. Gibson, Ivancevich, and Donnelly (1994), job satisfaction is an attitude that individuals have about their jobs. It results from their perception of their jobs, based on factors of the work group affiliation, working conditions, and fringe benefits. Kreitner and Kinicki (2004) define satisfaction as an affective or emotional response to various aspects of one's work.

The most common way of measuring job satisfaction is to use a rating scale on which employees report about their work. Smith, Kendall and Hulin (in Widiastuty, 2012) publish job satisfaction into three dimensions and indicators called the job descriptive index (JDI). The JDI is designed to measure employee satisfaction with their jobs. JDI is easy to use in drafting, calculating scores, easy to read and using a simple format. This study uses three dimensions and job indicators from JDI which describe the main elements of a person's job, namely (1) job it self, from studies on job characteristics it can be seen that the nature of work is the main determinant of job satisfaction. . Job satisfaction is achieved if there is a match between the wishes of the workers and the core dimensions of the job which consist of various skills, job identity, meaning of work, autonomy and feedback, (2) supervision, an attempt to lead by directing others so that they can carry out their duties properly, and provide maximum results, supervision is

another important dimension of job satisfaction, (3) co-workers, basically an employee wants attention from his co-workers and a supportive work environment, cooperative co-workers are the simplest source of job satisfaction for individual employees.

From some of the definitions of job satisfaction above, it can be concluded that job satisfaction is the emotional condition of employees who represent their feelings towards their work, where these feelings indicate a sense of pleasure or displeasure, satisfied or dissatisfied with the work done.

Previous research discussing the effect of job satisfaction on turnover intention was carried out by Andini (2006) with the title "Analysis of the Effect of Salary Satisfaction, Job Satisfaction, Commitment the Company, to Turnover Intention. Andini's research was conducted at the Roemani Muhammadiyah Hospital in Semarang, Indonesia. The results showed that all independent variables had a significant negative effect on turnover intention. Saeed, Waseem, Sikander and Rizwan (2014) conducted a study entitled "The Relationship between Turnover Intention and Job Satisfaction, Performance, Leader Exchange, Emotional Intelligence and Company Commitment". The result is that job satisfaction has a direct negative effect on turnover intention. The explanation is that when employees are satisfied, they keep their jobs. If not, leave the company immediately. Ibrahim, Hilman and Kaliappen (2016) examined "The effect of job satisfaction on turnover intention: an empirical investigative study on the banking industry in Nigeria". The finding is that job satisfaction has a significant negative effect on employee turnover intentions. This finding implies, if banks maintain practices that ensure employees are satisfied with their jobs then turnover intention will be significantly reduced. Akhtar, Awan and Anwar (2016) conducted a study, namely "The effect of job satisfaction and remuneration on turnover intention: a survey of business schools in Pakistan". The main objective of Akhtar et al's research is to explore the relationship of turnover intention with variables namely job satisfaction and remuneration among faculty members in Pakistani business schools. The results of the study as a whole show that turnover intention is significantly negatively correlated with job satisfaction and remuneration. The follow-up results show the majority of faculty members intend to quit their jobs and seek new ones even though they are satisfied with their current jobs.

Based on the various opinions and research findings above, it can be assumed that there is an influence of job satisfaction on turnover intention.

(3) Compensation

Compensation, which includes direct cash payments, indirect payments in the form of employee benefits, and incentives to motivate employees to strive for higher levels of productivity, is a critical component of the employment relationship (Cascio, 1992), directly or indirectly received by employees in return for services provided to the Company (Hasibuan, 2012). According to Sadili in Supomo (2018), compensation has a broader meaning than wages and salaries. Wages or salaries place more emphasis on financial remuneration, while compensation includes non-financial remuneration. Compensation is the provision of remuneration, either directly in the form of money (financial) or indirectly in the form of awards (nonfinancial).

The main objectives of reward programs are (1) to attract qualified people to join the organization, (2) to keep employees coming to work, and (3) to motivate employees to achieve high levels of performance. The relationship between rewards and satisfaction isn't perfectly understood, nor is it static. It changes because people and the environment change. But there are important considerations that managers can use to develop and distribute rewards. First, the rewards must be sufficient to satisfy basic human needs. Federal legislation, union contracts, and managerial fairness have provided at least minimal rewards in most work settings. Second, individuals tend to compare their rewards with those others. People make comparisons regardless of the quantity of the rewards they receive. If inequities are perceived, dissatisfaction occurs. Finally, managers distributing rewards must recognize individual differences. Unless individual differences are considered, the reward process invariably is less effective than desired. Any reward package should (1) be sufficient to satisfy basic needs (e.g., food, shelter, clothing), (2) be considered equitable, and (3) be individually oriented (Gibson, Ivancevich, and Donnelly, 1994). In line with that, Suwanto (2013) emphasizes that companies must establish compensation programs based on the principles of justice, fairness and worthy, taking into account the applicable labor laws.

Compensation is an important factor in HRM because it is a company policy that is directly related to increasing morale. Compensation policies are generally given by companies to improve employee performance and loyalty. Compensation can be measured, according to Rivai (2018), that compensation is divided into two, namely (1) *financial compensation*, consisting of (a) direct compensation in the form of basic payments, namely salaries and bonuses, (b) indirect compensation in the form of life insurance and health, (2) *non-financial compensation*, namely promotion policies, and awards for the best employees.

Thus, compensation is a remuneration given to employees, either directly or indirectly in the form of financial and non-financial to maintain loyalty, and as a reflection of performance measures for their contribution to the company.

Sandi (2014) conducted a study entitled "Analysis of the effect of compensation and job insecurity on turnover intention, Study on Teachers of SDIT Asy-Syaamil Bontang". The research was conducted in Bontang, East Kalimantan, Indonesia. The results showed that compensation had a negative and significant effect on turnover intention and job insecurity had a positive and significant effect on turnover intention. Fuaidah (2018) conducted a study entitled "The influence of employee compensation and work environment on turnover intention, Study on AUTO 2000 Employees Malang, Indonesia. The results of the study concluded that employee compensation and work environment had a significant influence on turnover intention. That is, if the compensation is increased and the provision of maximum work environment support, it may decrease the employee's desire to leave his job.

Candra, Hana and Wulandari (2018) conducted a study on "The effect of financial and non-financial compensation on the turnover intention of mining company employees, especially heavy equipment repair and maintenance companies in South Kalimantan", Indonesia. The results of his research show that financial compensation, either direct (salaries, incentives, commissions, and bonuses) or indirectly (insurance allowances, severance pay, pensions, transportation, leave and overtime compensation) and other non-financial compensation, has a negative and significant effect on employee turnover intention.

Based on the various opinions and research findings above, it can be assumed that there is a compensation effect on turnover intention.

(4) Career Development

Cascio (1992), the word "career" can be viewed from a number of different perspectives. From one perspective *a career is a sequence of positions occupied in a person during the course of a lifetime*. This is the *objective* career. From another perspective, though, *a career consists of the changes in values, attitudes. And motivation that occur as a person grows older*. This is the *subjective* career. Both of these perspectives, objective and subjective, focus on the individual. Both assume that people have some degree of control over their destinies, that they can manipulate opportunities in order to maximize the success and satisfaction derived from their careers. They assume further that HR activities should recognize career stages and assist employees with the development tasks they face at each stage. Career planning is important because *the consequences of career success or future are linked closely with each individual's self-concept, identity, and satisfaction with career and life*. Moehariono (2012), career is a process of a person during work, there are ways and paths to develop it, career is part of the journey and purpose of one's life, everyone has the right and obligation to succeed in achieving a better career.

In essence, the implementation of career development programs aims to develop and promote employees from within the company as well as change or reduce employee turnover rates. Whereas career development is a process of identifying potential employees and improving the abilities needed to occupy a position in the company in the future. This ability improvement can be done through various efforts, starting from education and training, as well as efforts beyond that, so that employees are able to present optimal performance.

Thus, it can be concluded that career development is a process and activity to prepare employees for positions in companies or organizations that will be carried out in the future.

The career development indicators used in the research are taken from Saydam's suggestion (in Mulyapradana, 2012) are (1) *company policy*, is the legality factor as a legal basis (a) whether there are career development

opportunities, (b) the narrowness of development opportunities career development, (c) whether or not the rules for career development are clear, (d) whether career development is fair or not, (2) *work performance*, is the work achieved by an employee on the tasks and responsibilities given have been completed properly in accordance with the plan, (3) *education and training*, usually for promotions, (4) *work experience*, the occurrence of a learning process for employees to acquire work skills and skills, (5) *loyalty to the company*, is the loyalty of an employee in upholding the secrets of the position he holds and actions that are not defame, (6) *human relations*, are both vertical and horizontal communication al that supports the smooth implementation of tasks, (7) *management support*, provides feedback to employees and builds a comfortable work environment to improve the abilities and desires of employees in carrying out career development.

Previous research on career development in relation to its effect on employee turnover intention was also conducted by Mutiah (2018) with the title "The effect of overtime hours and career development on the Turnover Intention of permanent employees with the company's commitment as a moderating variable at PT XXX Padang Lawas Regency". The research was conducted in Medan, North Sumatra, Indonesia. The results of the research are first, the model without moderation, shows that simultaneously overtime hours and career development have a positive and significant effect on employee turnover intention, and partially overtime hours have a positive and significant effect on employee turnover intention, while career development has a negative and significant effect on employee turnover intention. The results of the second study, the moderation model, show that the company's commitment partially strengthens the effect of overtime hours and career development on employee turnover intention. Yang, Liu, Liu and Zhang (2015), conducted a study on "The effect of work support and company career development on the turnover intention of certain hospital nurses in China. The results obtained are, career development has a negative influence on turnover intention. Nurses who are given career development opportunities can help build a better work environment and improve overall patient care skills, as well as reduce turnover intentions. Furthermore, the research conducted by Rukmini and Hendriani (2017), namely "The influence of compensation, work environment and career development on job satisfaction and turnover intention, Study on MNC Bank employees in Sumatra region" Indonesia, obtained the results that career development variables have a significant effect on turnover intention.

Based on the various opinions and research findings above, it can be assumed that there is an influence of career development on turnover intention. If so, then it can be assumed that there is an effect of job satisfaction, compensation, and career development together on turnover intention.

4 Methodology

This research is a correlational study to determine the effect or relationship of two or more variables. The research variables are Job Satisfaction (X_1), Compensation (X_2), Career Development (X_3), the three as independent variables and *Turnover Intention* (Y) as the dependent variable. The research is descriptive, verification, and explanatory. The population of 604 employees who work in the Hexindo Service Division was taken using a *purposive sampling method* as many as 112 valid respondents. The research instrument uses a *Likert Scale*, with validity and reliability tests. Data collection techniques using questionnaires and literature study. The correlation formula used is *Pearson Product Moment*. Reliability test using *Alpha Cronbach*. Variable analysis using *Structural Equation Model* (SEM) with LISREL 8.71 software (Joreskog & Sorbom, 2019) then developed a path diagram to show causality between variables through confirmatory factor analysis test (Wijanto, 2008). Data analysis and hypothesis testing include normality test, model fit test, to model interpretation and modification

Relationship between variables

4.1.1 The relationship between research variables is shown in the following framework:

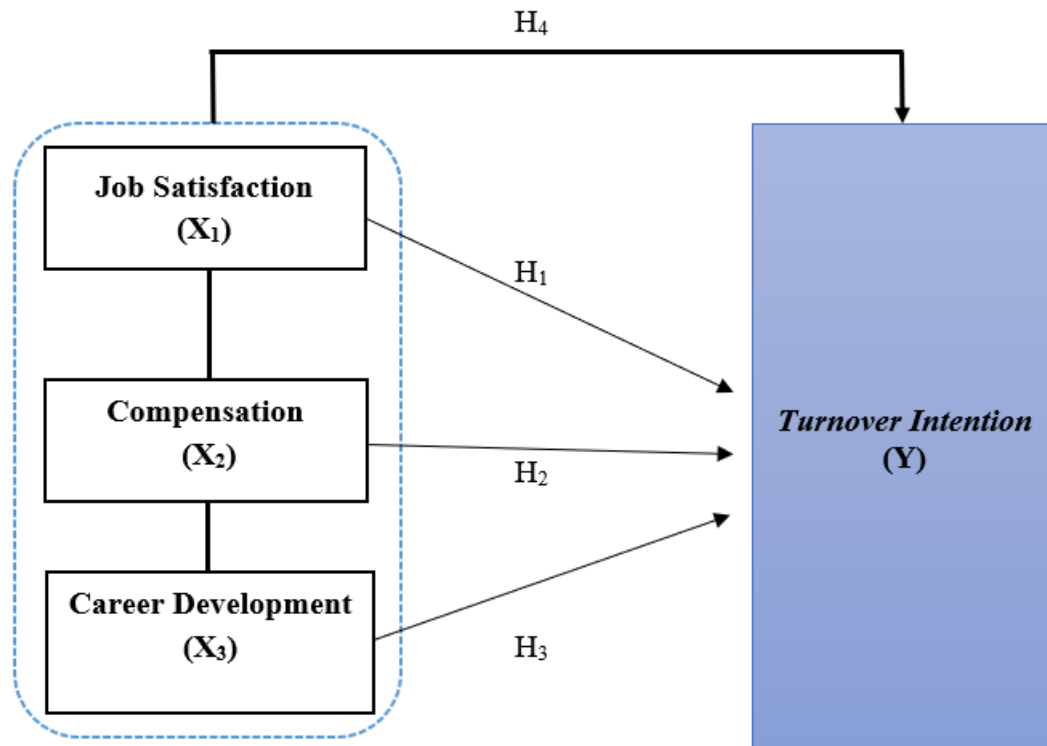


Figure: Research Variable Relationship Framework

Hypothesis

Based on the research objectives, literature review, previous research and the framework of the relationship variables above, the research hypothesis is proposed as follows:

Hypothesis 1

Ho: There is no effect of job satisfaction on employee turnover intention

Hi: There is an effect of job satisfaction on employee turnover intention

Hypothesis 2

Ho: There is no effect of compensation on employee turnover intention

Hi: There is an effect of compensation on employee turnover intention

Hypothesis 3

Ho: There is no influence of career development on employee turnover intention

Hi: There is an effect of career development on employee turnover intention

Hypothesis 4

Ho: There is no effect of job satisfaction, compensation, and career development together on employee turnover intention

Hi: There is an effect of job satisfaction, compensation, and career development together on employee turnover intention

5 Research Results and Discussion

As an overview, the research population is technicians in the Hexindo Service Division who work at branch locations in the West, East and Mining areas (mining project). The number of respondents has complied with the

criteria, namely as many as 112 respondents with variations in age: 18-25 years as much as 29%, 25-32 years as much as 39%, 32-40 years as much as 22% and 40-47 years as much as 10%. Education variation: Vocational high school as much as 79%, Diploma as much as 7% and Bachelor as much as 13%. Variation of tenure: 1 – 5 years as much as 24%, 5 – 10 years as much as 48%, 10-15 years as much as 16%, 15 – 20 years as much as 8%, and 20-25 years as much as 4%. The confirmatory factor analysis test for job satisfaction variables found that the GFI value was not yet fit, but the P-Value, RMSEA, CFI, NFI, and NNFI values showed a fit value, so it was concluded that the measurement model fit or fit the data. The results of testing the validity and reliability of the variables stated that the loading factor value was significant, which was above the value of 0.40, this indicates that all measuring instruments have a good loading factor. While the results of Construct Reliability (CR) obtained a value of 0.93 and Extracted Variant (VE) of 0.51. Construct Reliability obtained is classified as good, which is above 0.40. While the Extracted Variant was found to be good because the value was 0.50 or more. The confirmatory factor analysis test of compensation variables found P-Value, NFI and NNFI values that were not yet fit, but the RMSEA, GFI, and CFI values showed marginal fit values, so it was concluded that the measurements fit the data. The results of testing the validity and reliability of the compensation variable stated that most of the loading factor values were significant above the value of 0.40, this indicates that almost all measuring instruments have good loading factors. While the results of Construct Reliability (CR) were obtained at 0.70 and Variant Extracted (VE) at 0.21. Construct Reliability is quite good, which is above 0.40, while the Extracted Variant is not good because it is below 0.50

The confirmatory factor analysis test for career development variables found P-Value, RMSEA and GFI values that were not yet fit, but the CFI, NFI, and NNFI values showed marginal fit values, so it was concluded that the measurement model fit the data. Testing the validity and reliability of the variables resulted in a significant majority loading factor value, which is above the value of 0.40, this indicates that almost all measuring instruments have a good loading factor. While the results of Construct Reliability (CR) of 0.90 and Variant Extracted (VE) of 0.51. Construct Reliability is quite good, which is above 0.40, but the Extracted Variant is not good because it is below 0.50.

The confirmatory factor analysis test for employee turnover intention variables obtained P-Value, CFI, NFI and NNFI values that were not yet fit, but the RMSEA and GFI values showed marginal fit values, so it was concluded that the measurement model was quite suitable or fit with the data. The results of the validity and reliability testing of the turnover intention variable state that several loading factor values are significant above the value of 0.40, this indicates that almost all measuring instruments have a fairly good loading factor, while the results of Construct Reliability (CR) are 0.56 and Variant Extracted (VE) are 0.12. . Construct Reliability is classified as good, which is above 0.40, while the Extracted Variant is not good because it is below 0.50.

Processing data using Structural Equation Modeling based on abnormal data distribution marked by P-Value skewness and kurtosis < 0.05, then the model estimation uses the *maximum likelihood method* by correcting standard errors and several goodness of fit indices (Ghozali and Fuad, 2008). In the model specification, all SEM components have been combined into a complete model of the measurement model and structural model, described in the path diagram, then model estimation is carried out. The overall fit test of the model in this study has a *chi-square* of 785.59. Chi Square follows a statistical test with respect to the significance requirement. Hooper et al (2008), assessed the size of the model fit by looking at the values of the chi-square test, RMSEA, CFI and RMSR. The fit test shows the fit model, then the measurement model fit test is continued. Evaluation of latent variables with several indicators to produce a t value flow chart. Evaluation of the structural model includes an examination of the significance of the estimated coefficients. The Structural equations are presented in Table 1 below:

Table 1 Structural Equation Analysis Results

Variabel Laten Eksogen	Estimate Value	t-value	Ket	R ²
X1	0,0062	0,03	Tidak Signifikan	0,19
X2	-0,078	-0,92	Tidak Signifikan	
X3	-0,46	-2,00	Signifikan	

The Structural Equation: $Y = 0,0062X_1 - 0,078X_2 - 0,46X_3$

Hypothesis test

Hypothesis testing discusses structural equations or full structural models (Full SEM), generally there are various fit indices used to test and measure the degree of conformity between the hypothesized models (Santosa and Raharjo, 2019). Overall, the structural model is acceptable, following the results of hypothesis testing.

Hypothesis 1

From the structural equation of the research above, it can be explained that the job satisfaction variable (X_1) with an estimated value = 0.0062 and t-value = 0.03, meaning that the job satisfaction variable (X_1) has no effect on employee turnover intention (Y), then H_0 accepted and H_1 rejected.

Hypothesis 2

The compensation variable (X_2) with an estimated value = -0.078 and t-value = -0.92, meaning that the compensation variable (X_2) has no effect on the employee turnover intention variable (Y), then H_0 is accepted and H_1 is rejected.

Hypothesis 3

Career development variable (X_3) with estimated value = -0.46 and t-value = -2.00, meaning that career development variable (X_3) has a significant effect on employee turnover intention (Y), then H_0 is rejected and H_1 is accepted.

Hypothesis 4

The coefficient of determination R_2 confirms the effect of the job satisfaction variable (X_1), compensation variable (X_2), and career development variable (X_3) together on the employee turnover intention variable (Y). $R_2 = 19\%$ explains that 19% of the variation of the independent variable employee turnover intention (Y) is influenced by the independent variables of job satisfaction (X_1), compensation (X_2), and career development (X_3) simultaneously, while the remaining 81% is determined by other factors not studied. Thus, H_0 is rejected and H_1 is accepted.

The most influential internal factors in each variable are non-financial factors on compensation, thinking of quit on intention, supervision on job satisfaction and work performance factors on career development. For more details can be seen from Table 2 below:

Table 2 The Most Influential Dimensions and Indicators in Each Variable

Variable	Demention/Indicator	Value
Job Satisfaction	Supervision	0.73
Compensation	Non-Financial	1.59
Career Development	Job Performance	0.41
<i>Turnover Intention</i>	Thingking of Quitting	0.79

The study found that job satisfaction had no effect on employee turnover intention, however, it should be understood that perhaps at this time employees do not think too much about job satisfaction, they may be more interested in other factors in their work environment. Aspects of job satisfaction may not be a problem for them to change jobs, it could be because of the recent tenure, more than 70% of existing employees with a working period of 1-10 years. In addition, they may think that it is difficult to find a new job because of the level of education, the majority of employees, i.e. 79%, have secondary vocational education. This is not the case for highly educated professionals, who are more likely to enter the labor market. This situation can be interpreted, for the time being, they prefer to improve their work performance through career development programs to improve their lives. Even so, we agree that employee job satisfaction is important in improving company performance. Employee satisfaction with work can be seen from several indicators such as satisfaction with salary, satisfaction with promotions, co-workers, and leaders. If employees are satisfied in their work, it makes employees love their work and become more loyal to the company, and vice versa. This is in line with Pramitha's (2012) statement which explains that employees who are satisfied with their work tend to improve their performance both in terms of quantity and quality. In

addition, employee satisfaction with the company reduces the potential for resignation. The results of the research conducted by the author contradict this opinion, nor are they in line with the findings of Andini (2006), Rizwan (2014), Ibrahim, Hilman, and Kaliappen (2016) regarding the effect of job satisfaction on employee turnover intention. Even Akhtar, Awan, and Anwar (2016) reminded through the results of their research at Higher Education Institutions in Pakistan showed that the majority of faculty members intend to quit their jobs and look for new ones even though they are satisfied with their jobs. As we mentioned earlier, those who are professional and highly educated, the degree of interest in changing jobs tends to be high as well, as long as there are no very strong factors to keep them from staying.

Subsequent research findings report that compensation has no effect on employee turnover intention. Whereas compensation is a reward received by employees for their contributions to the company. The provision of compensation that is felt to be balanced and fulfills the principle of justice encourages increased work motivation, on the contrary, poor compensation can trigger a decrease in work morale. This makes employees work not optimally, their productivity is low and encourage turnover intention to increase. If there are job opportunities that provide more promising compensation, it is possible that turnover intention will lead to resignation. The results of the study stated that compensation had no effect on employee turnover intention, contrary to the findings of Sandi (2014), Fuidah (2018), as well as Candra, Hana, and Wulandari (2018). The absence of compensation effect on employee turnover intention is an anomalous finding, such as the conclusion that there is no effect of job satisfaction on employee turnover intention previously stated.

Employees stay with the company depending on how they see the future and the HR policies that are expected to accommodate their interests. From the aspect of career development, Mutiah (2018) reports the results of his research, that career development has a negative influence on turnover intention, similar to the findings of Yang, Liu, and Zhang (2015) and the results of Rukmini and Hendriani (2017). Conclusions like these support studies that have long reported that, "People who stay" and "people who leave" in Dreher's study all enter the company at roughly the same time, but "people who stay" receive more promotions each year and performance evaluation is quite higher than "people who leave" (Jewell and Siegall in Pudjaatmaka and Meitasari, 1998).

Career development that is clear and in line with expectations greatly affects the creation of enthusiasm and work motivation. Employers should provide accurate information about possible promotions in the career path, and ensure the availability of opportunities for valid *self-assessments* regarding career development programs. With a *well-planned career development system*, it encourages employees to be more active in achieving the desired job position, thereby reducing their desire to leave the company.

As a result of the two previous controversial findings, namely the absence of the influence of job satisfaction and compensation variables, it is understandable if the simultaneous influence of the three independent variables (including career development variables) on the dependent variable of turnover intention is low, namely only 19% variation, although the influence of career development variables is significant. Thus, there are still 81% of the influence of variables or other factors outside the three variables that have not been studied which may have a major influence on employee *turnover intention*.

6 Conclusion

The study concludes, namely: (1) there is no effect of job satisfaction on *turnover intention*, (2) there is no effect of compensation on *turnover intention*, (3) there is an influence of career development on *turnover intention*, and (4) there is an effect of job satisfaction, compensation, and career development together on *turnover intention*. The effect of the three dependent variables on the independent variable of *turnover intention* in a variation of 19% and the remaining 81% may be influenced by other variables or factors that were not taken into account in the study.

As a recommendation, first to the organization or company, namely (1) the organization should disclose information about the availability of career paths and provide opportunities for employees to participate in career development programs, (2) *coaching* and *mentoring* in the operationalization of management functions in the company, (3) managers who are experts and capable of developing feedback systems for performance achieved by subordinates, (4) the company equips managers with special skills in communication and with other tools, (5) non-formal training is

expected to be carried out regularly and in a planned manner, adjusted to the required competencies, (6) doing *job rotations* to provide opportunities to develop in different situations. Second, theoretical suggestions, namely (1) further researchers can add other variables that are relevant to their influence on turnover intention, (2) expand the sampling of respondents and be more varied.

Management unilaterally has its own interests in the organization. Of course it is the same for all employees, but management is responsible for the organization as a whole, a responsibility that often entails confronting various stakeholder demands and then balancing these conflicting demands. Specifically regarding employee demands, some of which have been discussed in this study with the title "Determinants of Turnover Intention".

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