

DOES EMPLOYEE RETENTION IMPACT TURNOVER INTENTION? AN EXPLORATION OF THE MEDIATING ROLE OF JOB SATISFACTION

Bayu Kusuma¹, Aniek Rumijati², Rizki Febriani³, Arif Rahman Hakim⁴

^{1,2,3,4}University of Muhammadiyah Malang, Malang, Indonesia

Correspondence email: ²rumijati@umm.ac.id

Article history:

Submitted:

July 26, 2024

Revised:

November 9, 2024

Accepted:

December 1, 2024

JEL Classification:

J28, O15

Keywords:

Employee retention; job satisfaction; human resource management; turnover intention; work environment.

Kata kunci:

Retensi karyawan; kepuasan kerja; lingkungan kerja; manajemen sumber daya manusia; turnover intention.

How to cite:

Kusuma, B., Rumijati, A., Febriani, R., Hakim, A. R. (2024). Does employee retention impact turnover intention? An exploration of the mediating role of job satisfaction. JIMFE (Jurnal Ilmiah Manajemen Fakultas Ekonomi), 10(2),

ABSTRACT

This study aims to examine the effect of employee retention on turnover intention, both directly and through the mediation of job satisfaction. The population in this study were employees of CV Sido Raya Utama Sidoarjo, with a total of 42 employees using total sampling technique. The method used is path analysis with data collection using questionnaires. The results of this study indicate that employee retention reduces turnover intention while increasing job satisfaction. In addition, job satisfaction has a negative impact on turnover intention and acts as a mediator between employee retention and turnover intention. These findings indicate the importance of an effective employee retention strategy to increase job satisfaction and reduce turnover intention. Companies must create retention policies that can improve employee welfare and satisfaction to reduce high turnover rates.

ABSTRAK

Penelitian ini bermaksud untuk menguji pengaruh retensi karyawan terhadap turnover intention, baik secara langsung maupun melalui mediasi kepuasan kerja. Populasi dalam penelitian ini adalah karyawan CV Sido Raya Utama Sidoarjo, dengan jumlah 42 karyawan dengan menggunakan teknik total sampling. Metode yang digunakan adalah analisis jalur dengan pengumpulan data menggunakan kuesioner. Hasil penelitian ini menunjukkan bahwa retensi karyawan mengurangi turnover intention sekaligus meningkatkan kepuasan kerja. Selain itu, kepuasan kerja berdampak negatif terhadap turnover intention dan bertindak sebagai mediator antara retensi karyawan dan turnover intention. Temuan ini menunjukkan pentingnya strategi retensi karyawan yang efektif untuk meningkatkan kepuasan kerja dan mengurangi turnover intention. Perusahaan harus membuat kebijakan retensi yang dapat meningkatkan kesejahteraan dan kepuasan karyawan untuk mengurangi tingkat turnover yang tinggi.



INTRODUCTION

Human resources play a crucial role as a determining factor for organizational success and serve as a source of sustainable competitive advantage for a company (Anwar & Herlina, 2022). Human resources is an essential factor because it determines the success of an organization. Improving employee performance significantly increases the likelihood of achieving organizational goals (Hakim et al., 2022). Therefore, human resources are a crucial factor in an organization; the success of a company is greatly dependent on the high capabilities and competencies possessed by its human resources (Rumijati, 2020). Employees are the foundation of any organization, so their retention is essential to minimize training time and costs (Febriani et al., 2023; Roz, 2019). Company performance is closely tied to employee involvement. Strong performance is achievable when employees remain with the company, and turnover is minimal (Wulansari et al., 2020). Turnover poses a significant challenge for organizations, and many companies need to measure employee separations formally (Mathis et al., 2016). This demonstrates that an effective human resource management process is needed for a company to achieve its goals. Companies must treat their employees well to give them a sense of job satisfaction. The treatment received can result in both good and bad behavior in employees. One form of employee behavior, turnover intention, can ultimately lead to the employee's decision to leave their job.

The desire to change jobs is a critical issue in most organizations (Dousin et al., 2020). Recent research suggests that industrial employee turnover intentions continue to be a big issue in developing countries (Ali et al., 2017). Employees leave their jobs because of alternative job offers with attractive salaries and work benefits, supportive employers, and an improved working environment (Dousin et al., 2020). In addition, a hostile work environment or lack of job satisfaction often increases the intention to move. Factors such as poor management, inadequate resources, and lack of support make significant contributions (Sazili et al., 2022). An employee's behavior can be due to his feelings about the working conditions and the work he experiences. Turnover intention is the process by which employees leave the organization because employees do not feel satisfied with their work and there must be someone to replace them (Trice, 1984). A worker's desire to depart the organization can indicate poor working conditions, which can encourage employees to leave and reduce employee retention.

Employee retention remains a critical issue for organizations and HR managers (Lussier & Hendon, 2020). Therefore, employee retention is an important thing that companies must always consider when retaining their employees. An effective employee retention strategy can lower the intention to move. When companies implement good retention practices, employees tend to be more reluctant to quit their employment (Wulansari et al., 2020). Recognizing the reasons for employee turnover, such as job stress and job satisfaction, is essential for an effective retention strategy. This increases satisfaction, motivation, and productivity, and it decreases turnover (Al-Suraihi et al., 2021). Studies show that employee retention is essential for maintaining high levels of performance within organizations (Sa'diyah et al., 2017). Previous study by (Pratiwi et al., 2020; Sa'diyah et al., 2017; Wulansari et al., 2020) Prove that employee retention affects turnover intention.

Employee retention strategies, job satisfaction, and organizational commitment have decreased turnover intentions (Wulansari et al., 2020). Low job satisfaction indicates the desire to leave the company (Lussier & Hendon, 2020). The effect of staff retention on job satisfaction is complex and interrelated. Employee retention and job satisfaction are interconnected and affect each other. Studies (Sa'diyah et al., 2017) Demonstrate that employee retention positively impacts job satisfaction. As employee retention improves, job satisfaction typically rises as well. Conversely, a decrease in employee retention often leads to a decline in job satisfaction (Robiah, 2022). Moreover, vice versa, increased job satisfaction results in more excellent employee retention, as satisfied employees are more likely to remain with the organization (Biason, 2020; Lisdayanti et al., 2015).

Table 1. Data On Employees Resigning For The Last 5 Years

Year	Number of Employees	Employee Resigning	Total Employees	Percentage
2018	56	7	52	12,5%
2019	52	7	48	13,4%
2020	48	6	57	12,5%
2021	57	9	53	15,7%
2022	53	11	42	20,7%

Source: CV. Sido Raya Utama, (2024)

Job satisfaction influences employee turnover intention. Increased job satisfaction usually lowers the chances of employees considering leaving their positions. Employees with high job satisfaction generally have a positive outlook on their work, whereas those with low job satisfaction often view their jobs negatively (Robbins & Judge, 2016). Studies have consistently shown that job satisfaction hurts the intention to move (Ali et al., 2017; Mahardika et al., 2019; Hasbiah & Idris, 2023). Employees who are content with their jobs are less inclined to contemplate leaving their organization (Hasbiah & Idris, 2023). Job satisfaction often mediates other factors that affect retention, such as workload and burnout. Employees who are satisfied with their jobs are less inclined to consider leaving the organization (Fahad et al., 2021). Reasonable job satisfaction can certainly make employees feel comfortable working for the company. Meanwhile, if employees do not feel satisfied during work, it can lead to the desire to depart the firm.

One of the issues at CV Sido Raya Utama is employees' high desire to leave the organization, also called turnover intention. This company is engaged in poultry slaughter and processing. At this time, CV Sido Raya Utama has a total of 42 employees. The problem this company is experiencing is that many workers depart the organization. In this study, the researcher interviewed one of CV's managers, Sido Raya Utama, to find out the conditions that are currently occurring. In the interview, the researcher obtained data on the number of employees who left over the last 5 years. Table 1 reveals a consistent yearly increase in employees departing from the company. This problem is one of the interests of finding out what factors affect the substantial number of employees leaving the company and whether employees still working also intend to work there. CV Sido Raya Utama has a strategy to treat employees well and make them comfortable at work. In this case, the researcher interviewed CV Sido Raya Utama employees to determine their conditions. The general questions asked were 1) how do you think the company treats you, and 2) how do you feel at work? This question is given to strengthen the phenomenon of employee turnover. The interview results are shown in Table 2.

Table 2. Pre-Research Data

Respondent	Employee Complaints
Respondent 1	Feeling always required to give the best performance The company never pays attention to the welfare of its employees.
Respondent 2	Companies are less concerned about the needs of their employees
Respondent 3	Many old machines are less than optimal but are still used so that the work takes a long time to complete
Respondent 4	The salary received is not by the work that must be completed
Respondent 5	Lack of firmness of company leaders in directing employees

Source: Pre-research data, (2024)

Therefore, based on the existing issues and problems, the researcher is interested in researching an employee's turnover intention by reviewing employee retention and dissatisfaction during work. This study aims to explore the effect of employee retention on turnover intention by reviewing the role of job satisfaction as a mediator.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Turnover Intention

Intention refers to an individual's desire or plan to perform a specific action. Turnover is the voluntary decision of an employee to leave their job. Turnover intention indicates an employee's tendency or intent to resign from their position (Zeffane, 1994). Robbins & Judge (2019) explains two types of turnover: voluntary and involuntary. Voluntary turnover occurs when an employee opts to resign from the company of their own accord, driven by their current job satisfaction and other employment opportunities. In contrast, an unintentional change or termination of employment refers to the employer's choice to dissolve the employment association, which is beyond the control of the worker concerned. According to Mathis & Jackson (2008), turnover occurs when a worker departs the organization and needs to be replaced. Factors that affect turnover intention according to (Mobley, 1986) include individual characteristics (age, education, marital status), work environment, job satisfaction, organizational commitment, employee retention (Wulansari et al., 2020), organizational fairness (Hussain & Xian, 2019). Several studies have confirmed that factors such as job insecurity, organizational commitment, remuneration, and work satisfaction have a substantial effect on the intention to move (Desi & Dosari, 2023; Karomah, 2020; Masita, 2021).

Job Satisfaction

Locke describes job satisfaction as "a positive emotional state derived from evaluating one's job or work experience," reflecting a blend of cognitive, emotional, and evaluative responses to work (Locke, 1976). Job satisfaction arises from employees' perceptions of how effectively their work meets their important needs and values (Luthans, 2011). Rivai & Jauvani (2010) Satisfaction refers to an individual's assessment of their feelings of happiness or unhappiness, as well as contentment or dissatisfaction with their work. Furthermore, Kreitner & Kinicki (2014) Job satisfaction measures how much a person enjoys their job. Several factors affect job satisfaction, according to Luthans (2010) including 1) the job itself, 2) payment, 3) promotion possibilities, 4) supervision, 5) workplace groups, and 6) conditions of work.

Employee Retention

Employee retention refers to the organization's capacity to keep prospective employees loyal to the company. The goal is to retain employees who are deemed qualified According to voluntarily. to (Mathis et al., 2016). Employee retention is a company's capacity to retain potential employees and keep them loyal to it (Susilo, 2013). Employee retention reflects their desire to stay with the company in the long run. Managers need to take the well-being of employees seriously, as a lack of attention can lower their morale, loyalty, attitude, and discipline. Despite this, many employees choose to stay in the company (retention) (Wulansari et al., 2020). As previously indicated, several work-related and personal issues might influence employee retention (Mathis et al., 2016), including organizational and management factors, relationships between employees and employers, balance between work and personal life, rewards, training, and career development, as well as employer policies and practices. The reasons employees stay or leave jobs vary based on the job, industry, organizational issues, and geography. However, many of these factors are within the company's control.

Employee Retention and Turnover Intention

A good employee retention strategy can reduce the intention to move. Companies that meet employee needs, such as job satisfaction, work-life balance, and career development, tend to have lower turnover rates. High turnover can be detrimental to productivity, profitability, and organizational health (Al-Suraihi et al., 2021; Wulansari et al., 2020). With good employee retention, it will affect the turnover intention of every employee in the company. If the employee retention provided by the company is good to its employees, the turnover of employees will be low. This aligns with research undertaken by (Pratiwi et al., 2020) This indicates that staff retention hurts turnover intention. This is in line with (Purnama & Mayliza, 2019; Risa & Endratno, 2023; Sa'diyah et al., 2017; Wulansari et al., 2020) Their analysis revealed that employee retention hurt turnover intention. From this relationship, a hypothesis is formulated:

H1: Employee retention has a significant negative effect on turnover intention

Employee Retention and Job Satisfaction

Retaining employees helps distribute the workload more evenly, prevents burnout, and increases job satisfaction (Fahad et al., 2021). A stable work environment, created through employee retention, can build positive relationships and reduce stress, thereby increasing job satisfaction (Shafiuddin et al., 2022). Employees comfortable with their jobs are not as inclined to look elsewhere (Biason, 2020; Shafiuddin et al., 2022). With good employee retention from the company, employee work satisfaction will also increase. In agreement with studies carried out (Tampubolon & Sagala, 2020) Employee retention has a favorable and significant impact on job satisfaction. Other studies, such as (Mahardika et al., 2019) (Robiah, 2022; Sa'diyah et al., 2017; Susilo, 2013), Prove that employee retention has a huge impact on job satisfaction. Based on the relationship and existing research, a hypothesis is formulated:

H2: Employee retention has a significant positive effect on job satisfaction

Job Satisfaction and Turnover Intention

Organizations need to be aware of the significance of job happiness since employee satisfaction levels have an impact on results for performance (Hakim et al., 2022), and the success of the organization (AL-Maaitah et al., 2021). Studies show a strong causal link that is favorable between work satisfaction and moving intentions. Higher job satisfaction leads to lower intention to move (Wijesekara, 2023). Likewise, findings in various sectors, such as public universities and international schools, consistently show that the intention to move is strongly influenced by job satisfaction (AL-Maaitah et al., 2021; Bagau et al., 2023). Employee turnover is also low when workers feel very satisfied with their jobs. To reduce workers' inclination to quit the organization, it is necessary to focus on the satisfaction felt by employees. The study is consistent as conducted by (Ratnaningsih, 2021) (Ali et al., 2017; Dousin et al., 2020; Fahad et al., 2021; Hasbiah & Idris, 2023) Which claimed that work satisfaction significantly negatively impacts the intention to leave a job. Therefore, the following research hypothesis is formulated:

H3: Job Satisfaction has a significant negative effect on Turnover intention

Employee Retention, Turnover Intention, and Job Satisfaction

High job satisfaction rates enhance employee retention, as content employees are less inclined to seek other job opportunities. Additionally, organizational culture and the work environment significantly influence job satisfaction and the intention to move (Sinurat & Widhianto, 2023). Workers who are content with their positions typically exhibit more reluctance to leave. By increasing job satisfaction, organizations can effectively reduce the intention to move among employees (Wijesekara, 2023). Following studies undertaken (Tampubolon & Sagala, 2020) It has been proven that job satisfaction may mediate the impact of employee fatigue on turnover intention. The study proved that the association between employee retention and intention to leave could be mediated by job satisfaction. Employee

retention affects the intention to leave (Pratiwi et al., 2020). Work satisfaction also significantly impacts the intention to leave a job (Mahardika et al., 2019). From the relationship and supporting research, a hypothesis is formulated:

H4: Job satisfaction can mediate the effect between employee retention and turnover intention

RESEARCH METHOD

This study is quantitative, and the testing involves statistical formulas and mathematical calculations. The research was conducted on a CV. Sido Raya Utama. The population for this study includes all 42 employees, and the sample also comprises these 42 employees through the method of total sampling. Determining the sample size according to (Arikunto, 2010). It is better to take all the subjects if they are less than 100. Data collection used a formatted questionnaire given to respondents, with measurements using a 5-point Likert scale. The software used is SPSS 25 to test instruments in the form of validity and reliability tests. This work uses multicollinearity and normality tests for the classical assumption test. This study uses data analysis tools in the form of scale range tests, path analysis, and hypothesis tests using the t-test and Sobel test. The operational definition of the variables or instruments of this study includes variables of employee retention, turnover intention, and job satisfaction. Turnover intention is the desire of CV Sido Raya Utama employees to leave the company with indicators according to (Mobley, 1986, 2011) Include 1) thinking about exiting, 2) finding alternative jobs, and 3) intention to exit. Satisfaction is the feeling of CV Sido Raya Utama workers carry out their job duties, with indicators according to (Luthans, 2011; Robbins & Judge, 2016) Includes satisfaction with 1) jobs, 2) salaries, 3) promotion opportunities, 4) supervision, 5) co-workers, and 6) working conditions). Finally, Employee retention is an effort made by CV Sido Raya Utama to keep employees from leaving, with indicators, according to (Mathis et al., 2016), Including 1) career opportunities, 2) awards received, and 3) employee relationships.

RESULT AND DISCUSSIONS

Characteristics Respondent

Based on the data from the questionnaire results that have been distributed to 42 respondents of CV Sido Raya Utama employees, the results of the respondents' characteristics include gender, age, employee status, and working period showed in Table 3.

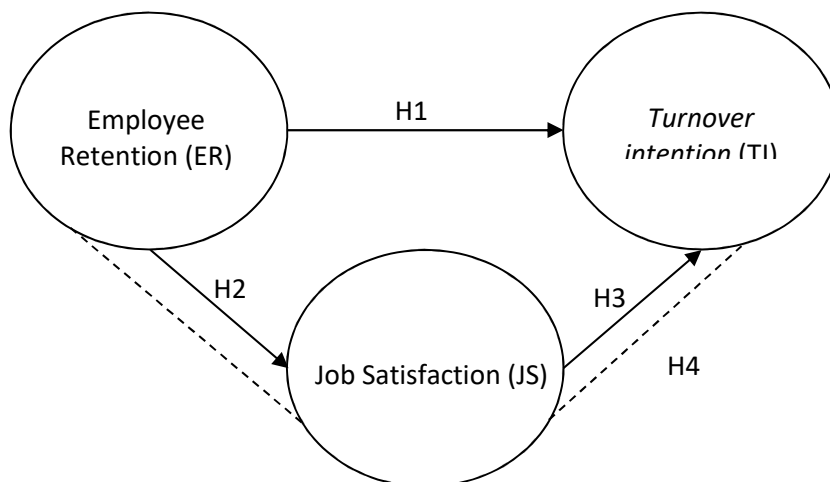


Figure 1. Research Framework

Table 3. Characteristics Respondent

	Item	Frequency	Percentage (%)
Gender	Man	36	86%
	Woman	6	14%
Age	18-21 year	12	28%
	22-25 year	16	38%
	26-29 year	8	19%
	>30 year	6	15%
	SMA/SMK	23	54%
Last Education	DI-D3	11	26%
	S1	8	20%
Employee Status	Unmarried	27	63%
	Married	15	37%
Working Period	< 6 months	7	17%
	6 month – 1 year	13	30%
	1-2 year	17	41%
	>2 year	5	12%
Working Section	<i>Accounting</i>	2	4%
	<i>Purchasing</i>	6	15%
	<i>Quality Control</i>	4	9%
	<i>Boneless</i>	9	23%
	Gross Production	8	19%
	Warehouse	6	15%
	<i>Cutting and Marinating</i>	7	16%

Source: processed data (2024)

As may be observed from Table 3 above, the male gender is more dominant than women, with a percentage of women as high as 86%, while women are 14% dominated by employees aged 22-25. The company has 27 unmarried employees, or 63%, and married employees, or 15 employees, or 37%, and is dominated by employees with the last high school/vocational education.

Instrument Test: Validity and Reliability Test

Comparing the result of the r calculation and the r table served as the validity test. The table's r -value in this investigation was 0,304. After completing the validity test, it was proven that all statement items were valid because the computed value of r was higher than the table's r , as shown by the subsequent table's results.

Table 4. Recapitulation of Validity Test Results

Variable	Indicator	R Count	R table	Information
Employee retention	ER1	0,846	0,304	Valid
	ER2	0,818	0,304	Valid
	ER3	0,826	0,304	Valid
Job Satisfaction	JS1	0,673	0,304	Valid
	JS2	0,427	0,304	Valid
	JS3	0,463	0,304	Valid
	JS4	0,523	0,304	Valid
	JS5	0,723	0,304	Valid
	JS6	0,655	0,304	Valid
Turnover intention	TI1	0,751	0,304	Valid
	TI2	0,797	0,304	Valid
	TI3	0,764	0,304	Valid

Table 6. Hasil Analisis Jalur

Influence of Variables	Influence		Total
	Direct	Indirect	
Retention > Turnover Intention	-0,152	-	-0,152
Retention > Job Satisfaction	0,595	-	0,595
Job Satisfaction > Turnover Intention	-0,492		-0,492
Retention > Job Satisfaction > Turnover Intention		-0,152 + (0,595 x -0,492)	-0,444

Data Analysis Results

In the data analysis test, the researcher conducted a path analysis test. The results in Table 6 show that the effect of employee retention on turnover intention indirectly through job satisfaction is greater than that of employee retention directly. This demonstrates that job satisfaction can mediate between employee retention and turnover intention.

Results of t-Test and Sobel Test

Table 7 displays the t-test results. For all of the Retention and Job Satisfaction variables, each t-value is larger than the t-table and has a significance level below 0,05. Thus, each hypothetical relationship can be stated to have a significant influence. Furthermore, Table 7 shows that the results using the Sobel test have a p-value of 0,023, lower than 0,05. The test results thus demonstrate that the influence of staff retention on turnover intention can be influenced by work satisfaction as a mediator.

Employee Retention on Turnover Intention

The test results proved that employee retention significantly negatively affected turnover intention in CV Sido Raya Utama employees. These results show that the turnover intention rate will be lower if employee retention is better. As seen in the indicators of appreciation received by employees, where if employees feel appreciated for their work results, it can make employees enthusiastic about work, but if the appreciation given is not there, it will make employees have the intention to leave the company. It shows that an employee's inclination to depart the company is influenced by how the company treats them or its efforts to keep them on board. CV Sido Raya Utama's efforts in retaining its employees can ensure that workers are at ease in their environment and impact the low turnover rate owned by employees.

The study's outcomes corroborate the conclusions made by Pratiwi et al. (2020); Purnama & Mayliza, (2019); Risa & Endratno (2023); Sa`diyah et al., (2017); Wulansari et al. (2020) which stated that employee retention has a considerable detrimental impact on turnover intentions. Wulansari et al. (2020) reveals that an effective employee retention strategy can reduce the intention to move. Good retention efforts often correlate with decreased employee intent to depart from the company. Research Al-Suraihi et al. (2021) demonstrates how retention tactics, including competitive pay, chances for professional growth, and a happy workplace, may reduce employee turnover rates. Employers who support their workers' growth and training can increase the retention of workers (Mathis et al., 2016). These results align with the social exchange theory, which states that employees who feel supported and treated positively by their superiors tend to reciprocate with higher loyalty and lower intentions to leave. Therefore, an effective employee retention strategy is needed to increase job satisfaction and meet employee needs, which is essential to minimizing the relocation plan.

Table 7. Recapitulation Test Results t

Relationship	T count	T table	Sig
Retention > Turnover Intention	-3,221	2,001	0,002
Retention > Job Satisfaction	4,681	2,001	0,000
Job Satisfaction > Turnover Intention	-3,126	2,001	0,010

Table 8. Sobel Test Results

	Input	P-Value
A	0,792	
B	-0,492	0,023
S_a	0,169	
S_b	0,190	

Employee Retention on Job Satisfaction

Testing shows that employee retention has a significant favorable impact on job satisfaction felt by employees. These results show that if employee retention improves, the satisfaction employees feel will also increase, as can be seen from the employee retention indicator where when employees get appreciation for their work results, the formation of good relationships between employees and the existence of career opportunities for satisfaction felt by employees while working will increase. This shows that the treatment given by CV Sido Raya Utama to its employees makes them feel satisfied at work. Companies need to treat their employees well because the excellent treatment employees feel can make them feel satisfied at work and maximize work results.

The findings of this investigation are consistent with studies carried out by Tampubolon & Sagala (2020); Robiah (2022); Sa'diyah et al. (2017); Shafiuddin et al. (2022) claimed that job happiness is positively and significantly impacted by staff retention. Employee retention and job satisfaction are closely intertwined. Companies that want to improve employee retention should enhance their employees' job satisfaction. The literature demonstrates the impact of work satisfaction on employee retention more than anything else, yet the two variables are related. Htun & Amiya (2022) reveals that satisfied employees are valuable assets, and retaining them can reduce recruitment and training costs. Therefore, companies must create strategies to maintain employee retention by increasing job satisfaction.

Job satisfaction with turnover intention

The investigation also found that work satisfaction has a considerable negative impact on turnover intention. The data suggest that the better employee job satisfaction, the lower the turnover intention rate. The job satisfaction indicator is related to satisfaction with relationships between colleagues. Suppose employees are satisfied with existing co-worker relationships. In that case, the turnover intention rate will be low, but conversely, if employees feel that the relationship between colleagues is not good, the turnover rate will increase. This shows that the satisfaction of CV Sido Raya Utama employees can affect the employee's intention to leave the company. The study's results also show that if employees are satisfied with the treatment from CV Sido Raya Utama, then the intention of employees to leave the company is lower. The outcomes of this investigation are consistent with the findings AL-Maaitah et al. (2021); Ali et al. (2017); Bagau et al. (2023); Dousin et al. (2020); Fahad et al. (2021) that job satisfaction considerably impacts turnover intention. Employees with high job satisfaction tend to have low intention to transfer, demonstrating that higher job satisfaction lowers the incentive to quit the firm (Hasbiah & Idris, 2023). Social Exchange Theory states that employees who are fulfilled with their duties feel bound to stay inside the firm, thus lowering the intention to move. Studies reveal a substantial association between both job satisfaction and intention to stay, indicating that happy employees are less inclined to resign (Wijesekara, 2023). So, companies should consider what indicators can affect employee job satisfaction, such as salary, promotions, supervision, etc.

Job Satisfaction Mediates The Effect Of Employee Retention On Turnover Intention

The test results demonstrate that job satisfaction can mediate the impact of employee retention on turnover intention. These findings indicate that the higher the employee retention offered by CV Sido

Raya Utama, the more satisfied employees will be with their jobs. The turnover intention rate will be lower if employees feel high job satisfaction. The treatment given by CV Sido Raya Utama to retain employees can cause its employees to have a low intention to depart the company. The study's discoveries are consistent with research undertaken by Tampubolon & Sagala (2020), who revealed that job satisfaction could partially mitigate the impact of employee weariness on turnover intention. Employee retention significantly affects job satisfaction, affecting the intention to move. This shows that organizations focusing on retention strategies can increase job satisfaction and reduce employee transfer intentions (Sa'diyah et al., 2017; Sinurat & Widhianto, 2023). A positive place of work and career growth opportunities improve job satisfaction and employee retention and reduce relocation intentions (Lasanov et al., 2023). Improving employee retention through increased job satisfaction can effectively mediate and reduce the intention to move, benefiting the organization's overall performance.

CONCLUSION

The findings of this research reveal that employee retention has a considerable influence on turnover intention, which means that the higher the effort of CV Sido Raya Utama in retaining employees, the lower the employee's intention to depart the company. In addition, employee retention also positively impacts job satisfaction, indicating that effective retention measures can increase employee job satisfaction levels. Job satisfaction was shown to hurt turnover intention, indicating that workers who feel satisfied with their employment had a reduced desire to depart CV Sido Raya Utama. Interestingly, mediation analysis discovered that work satisfaction is a mediator function in the link between employee retention and turnover intentions; it suggests that employee retention initiatives directly impact turnover intention and increase job satisfaction. CV Sido Raya Utama needs to develop an employee retention strategy to increase job satisfaction through career development programs, work-life balance, rewards, and a conducive work environment. By paying attention to employees' needs and treating them well, the company can lower employees' desire to leave the organization and maintain job satisfaction that supports productivity. In theory, this study adds to the literature on the relationship between retention, job satisfaction, and employee exit intention, with job satisfaction as a mediator. However, limitations in the small sample size and quantitative approach limit the generalizability of the results. Future research should use larger samples and qualitative approaches and consider additional variables and longitudinal research to understand the factors influencing exit intentions in more depth.

REFERENCE

- AL-Maaitah, D. A. A., Al-Maaitah, T. A. M., & Alkharabsheh, O. H. M. (2021). The impact of job satisfaction on employee turnover intention at public universities (Northern Border University). *International Journal of Advanced and Applied Sciences*, 8(5). <https://doi.org/10.21833/ijaas.2021.05.006>
- Al-Suraihi, W. A., Samikon, S. A., Al-Suraihi, A.-H. A., & Ibrahim, I. (2021). Employee Turnover: Causes, Importance and Retention Strategies. *EJBMR: European Journal of Business & Management Research*, 6(3). <https://doi.org/10.24018/ejbmr.2021.6.3.893>
- Ali, A., Huang, J., Ali, Z., & Li, Z. (2017). Impact of empowerment on employee turnover intention: The influence of job satisfaction. *Advances in Economics, Business and Management Research, Proceedings of the 2017 2nd International Conference on Education, Management Science and Economics (ICEMSE 2017)* 49, 42–46. <https://doi.org/10.2991/icemse-17.2017.10>
- Anwar, S., & Herlina, E. (2022). The impact of strategic human resource management on organizational performance. *Jurnal Indonesia Sosial Teknologi*, 3(12), 1303–1309. <https://doi.org/10.59141/jist.v3i12.555>
- Arikunto, S. (2010). *Manajemen Penelitian*. Rineka Cipta.
- Bagau, E. S. L., Kindangen, P., & Tumewu, F. J. (2023). The effect of job satisfaction, organizational

- commitment, and work environment on turnover intention at PT. Hasjrat Abadi Sudirman. *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi*, 11(4), 1532-1544. <https://doi.org/10.35794/emba.v11i4.52572>
- Biason, R. S. (2020). The effect of job satisfaction on employee retention. *International Journal of Economics, Commerce and Management*, 8(3), 405-413.
- Desi, D. E., & Dosari, N. (2023). Pengaruh komitmen organisasional, kompensasi dan kepuasan kerja terhadap turnover intention karyawan PT. BPR Kerinci. *Jurnal Cahaya Mandalika*, 4(3), 754-762. <https://doi.org/10.36312/jcm.v4i3.1900>
- Dousin, O., Toh, P. S., Bahron, A., & Rahim, I. H. A. (2020). Does Person-Organization Fit (P-O Fit) mediate the relationship between employee job satisfaction and turnover intention: The case of insurance agents in Malaysia. *International Journal of Human Resource Studies*, 10(2), 117-130. <https://doi.org/10.5296/ijhrs.v10i2.16635>
- Fahad, F., Adhikara, M. F. A., & Purwati, W. D. (2021). The importance of job satisfaction in mediating employee retention at Dewi Sri Hospital. *International Journal of Nursing and Health Services (IJNHS)*, 4(6), 621-630. <http://doi.org/10.35654/ijnhs.v4i6.499>
- Febriani, R., Hasanah, S. N., Roz, K., & Hakim, A. R. (2023). The impact of workplace spirituality, work-family conflict, and loneliness in work on intention to stay: Case study on women employees in Indonesia. *International Journal of Professional Business Review*, 8(4), 1-16. <https://doi.org/10.26668/businessreview/2023.v8i4.1473>
- Hakim, A. R., Rumijati, A., & Febriani, R. (2022). The effect of workload and self efficacy on employee performance during the Covid-19 pandemic. *Jurnal Bisnis Dan Manajemen*, 9(2), 171-183. <https://doi.org/10.26905/jbm.v9i2.8503>
- Hasbiah, S. & Idris, M. (2023). The effect of job satisfaction on employee turnover intention in companies PT Hadji Kalla Branch of Urip Sumoharjo. *ECBIS: Economic and Business Journal*, 1(2), 71-78. <https://doi.org/10.47353/ecbis.v1i2.51>
- Htun, W. T. & Amiya, B. (2022). Employees job satisfaction and retention at workplace. *Journal of Positive School Psychology*, 6(3).
- Hussain, S., & Xian, S. H. (2019). Factors affecting employees' turnover intention in construction companies in Klang, Selangor. In *FGIC 2nd Conference on Governance and Integrity 2019 KnE Social Sciences*, 108-131. <https://doi.org/10.18502/kss.v3i22.5047>
- Karomah, K. (2020). Pengaruh kepuasan kerja dan job insecurity terhadap turnover intention pada pegawai kontrak sekolah X. *Jurnal Ilmu Manajemen*, 17(2), 58-70. <https://doi.org/10.21831/jim.v17i1.34774>
- Kreitner, R. & Kinicki, A. (2014). *Organizational Behavior* (9th ed.). Salemba Empat.
- Lasanov, R. A., Agtia, I. O., Anggraini, S. Y., & Maharani, A. (2023). The relationship between work environment and career development on employee retention with job satisfaction as a mediating variable in state-owned enterprises in the insurance sector. *Jurnal Manajemen*, 14(3). <https://doi.org/10.32832/jm-uika.v14i3.14599>
- Lisdayanti, Lie, D., Butarbutar, M., & Wijaya, A. (2015). Pengaruh kepuasan kerja terhadap retensi karyawan pada PT Bumi Sari Prima Pematangsiantar. *Jurnal MAKER*, 1(1), 30-38. <https://doi.org/10.37403/maker.v1i1.5>
- Locke, E. A. (1976). The nature and causes of job satisfaction. In M. D. Dunette (Ed.), *Handbook of industrial and organizational psychology*, 1, 1297-1343.
- Lussier, R. N. & Hendon, J. R. (2020). *Fundamentals of Human Resource Management: Functions, Applications, Skill Development* (2nd ed.). SAGE Publications, Inc.
- Luthans, F. (2010). *Organizational Behavior*. McGraw-Hill Education.
- Luthans, F. (2011). *Organizational Behavior: An Evidence-Based Approach* (12th ed.). McGraw-Hill

Companies, Inc.

- Mahardika, D. S., Suddin, A., & Wardiningsih, S. S. (2019). Peran mediasi kepuasan kerja pada pengaruh retensi karyawan dan loyalitas kerja terhadap kinerja karyawan pada Rumah Sakit Umum Mitra Keluarga Husada. *Jurnal Manajemen Sumber Daya Manusia*, 13(1), 81–93.
- Masita, I. (2021). Faktor-faktor yang mempengaruhi turnover intention (Studi kasus pada karyawan Yayasan Cendikia Bunayya Kabanjahe). *Jurnal Ilmiah Mahasiswa FEB Universitas Brawijaya*, 9(2), 1–14.
- Mathis, R. L., & Jackson, J. H. (2008). *Human Resource Management* (12th ed.). Thomson.
- Mathis, R. L., Jackson, J. H., Valentine, S. R., & Meglich, P. A. (2016). *Human Resource Management, Fifteenth Edition* (15th ed.). Cengage Learning.
- Mobley, W. H. (1986). *Pergantian Karyawan: Sebab-Akibat Dan Pengendaliannya*. PT Pustaka Binaman Pressindo.
- Mobley, W. H. (2011). *Pergantian Karyawan: Sebab, Akibat dan Pengendaliannya*. PPM-Bisnis2030.
- Pratiwi, W. N., Komariah, K., & Jhoansyah, D. (2020). Turnover intention berdasarkan retensi karyawan dan insentif. *BUDGETING: Journal of Business, Management and Accounting*, 2(1). <https://doi.org/10.31539/budgeting.v2i1.1760>
- Purnama, D. R. & Mayliza, R. (2019). Pengaruh employee retention terhadap turnover intention dan kinerja karyawan pada PT. Bank Rakyat Indonesia Unit Lubuk Buaya Cabang Padang. *OSF Preprints*. <https://doi.org/10.31219/osf.io/h2jqp>
- Ratnaningsih, D. S. (2021). Pengaruh kepuasan kerja, stres kerja, dan komitmen organisasional terhadap turnover intention. *Jurnal Ilmu Manajemen*, 9(3), 1267-1278. <https://doi.org/10.26740/jim.v9n3.p1267-1278>
- Risa, F. N. & Endratno, H. (2023). Pengaruh retensi karyawan, gaya kepemimpinan transformasional dan kompensasi terhadap keinginan berpindah kerja perawat RSUD Dr. M. Ashari Pematang. *Jurnal Ilmiah Mahasiswa Manajemen, Bisnis Dan Akuntansi (JIMMBA)*, 5(1), 34-43. <https://doi.org/10.32639/jimmba.v5i1.162>
- Rivai, V. & Jauvani, S. (2010). *Manajemen Sumber Daya Manusia untuk Perusahaan*. PT Rajawali Pers.
- Robbins, S. P., & Judge, T. A. (2016). *Perilaku Organisasi Organizational Behavior* (16th ed.). Salemba Empat.
- Robbins, S. P., & Judge, T. A. (2019). *Organizational Behavior* (18th ed.). Pearson.
- Robiah, S. S. (2022). *Pengaruh retensi karyawan terhadap kepuasan kerja pada Hotel Sutan Raja Soreang Kabupaten Bandung*. [Skripsi]. Universitas Pasundan. <http://repository.unpas.ac.id/56417/>
- Roz, K. (2019). Job satisfaction as a mediation of transformational leadership style on employee performance in the food industry in Malang City. *International Journal of Economics, Business and Accounting Research (IJEBAR)*, 3(02), 47-58. <https://doi.org/10.29040/ijebar.v3i02.532>
- Rumijati, A. (2020). Peran Knowledge Sharing Dan Motivasi Pada Pengaruh Learning Organization Terhadap Kinerja Karyawan. *EKUITAS (Jurnal Ekonomi Dan Keuangan)*, 4(2), 226–245. <https://doi.org/10.24034/j25485024.y2020.v4.i2.4228>
- Sa'diyah, H., Irawati, S. A., & Faidal. (2017). Pengaruh employee retention dan turnover intention terhadap kinerja karyawan melalui kepuasan kerja pada Kospin Jasa Cabang Jawa Timur. *Jurnal Kompetensi*, 11(1). <https://doi.org/10.21107/KOMPETENSI.V11I1.3658>
- Sazili, S., Ju'im, J., Indarti, S., & Efendi, R. (2022). Turnover intention influenced by work environment and job satisfaction. *International Journal of Social Science Research and Review*, 5(6), 102–108. <https://doi.org/10.47814/ijssrr.v5i6.291>
- Shafiuddin, M. & Nassibi, G. M. M. A. (2022). Impact of work environment on job satisfaction and employee retention: An empirical study from private sector banks in Hyderabad of Telangana State in India. *Journal of Positive School Psychology*, 6(9), 2467–2483.

- Sinurat, V. & Widhianto, C. W. (2023). The influence of job satisfaction and employee retention on employee performance mediated by perceptions of leadership style. *International Journal of Social Service and Research*, 3(10), 2672–2680. <https://doi.org/10.46799/ijssr.v3i10.570>
- Susilo, A. (2013). Pengaruh retensi karyawan dan kepuasan pelanggan terhadap kinerja. *Jurnal Studia Accounting and Business*, 1(2). <https://doi.org/10.55171/jsab.v1i3.31>
- Tampubolon, V. S., & Sagala, E. J. (2020). Pengaruh kepuasan kerja dan komitmen organisasi terhadap turnover intention pada karyawan PT. BUM Divisi PMKS. *Business Management Journal*, 16(2). <https://doi.org/10.30813/bmj.v16i2.2359>
- Trice, H. M. (1984). [Reviewed work of employee-organization linkages: The psychology of commitment, absenteeism, and turnover by R. T. Mowday, L. W. Porter, & R. M. Steers]. *Contemporary Sociology*, 13(1), 90-91. <https://doi.org/10.2307/2068333>
- Wijesekara, M. (2023). The impact of job satisfaction on employee turnover intention: With special reference to PVC water pipes manufacturing industries in Sri Lanka. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.4473976>
- Wulansari, P., Meilita, B., & Ganesan, Y. (2020). The effect of employee retention company to turnover intention employee—Case study on head office Lampung Bank. *Proceedings of the 3rd Global Conference On Business, Management, and Entrepreneurship (GCBME 2018)*. <https://doi.org/10.2991/aebmr.k.200131.050>
- Zeffane, R. M. (1994). Understanding employee turnover: The need for a contingency approach. *International Journal of Manpower*, 15(9), 22-37. <https://doi.org/10.1108/01437729410074182>

