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# THE INFLUENCE OF COMPENSATION, MOTIVATION, AND JOB SATISFACTION ON EMPLOYEE TURNOVER AT XYZ HOTEL CIMAHI

# PENGARUH KOMPENSASI, MOTIVASI, DAN KEPUASAN KERJA TERHADAP TURNOVER KARYAWAN DI HOTEL XYZ CIMAHI

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#### **ABSTRACT**

This research aims to analyze the influence of compensation, motivation and job satisfaction on the level of employee turnover at XYZ Hotel located in Cimahi. The problem of high employee turnover can have a negative impact on the smooth running of hotel operations, as well as increasing employee recruitment and training costs. Therefore, this research tries to identify the factors that contribute to employees' decisions to stay or leave the company. The research method used is a quantitative approach with data collection techniques through questionnaires to employees at XYZ Hotel. The data analysis technique used is multiple linear regression to determine the relationship between compensation, motivation and job satisfaction variables and employee turnover levels. The research results show that these three variables have a significant influence on employee turnover, with compensation as the most dominant factor in determining an employee's decision to stay. Motivation and job satisfaction have also been shown to play an important role, although their influence is slightly smaller than compensation. Therefore, it is recommended that XYZ Hotel management improve compensation policies and increase employee motivation and job satisfaction to reduce employee turnover rates and increase more stable employee retention.

Keywords: Compensation, Motivation, Job Satisfaction, Employee Turnover.

### **ABSTRAK**

Penelitian ini bertujuan untuk menganalisis pengaruh kompensasi, motivasi dan kepuasan kerja terhadap tingkat turnover karyawan di Hotel XYZ yang berlokasi di Cimahi. Masalah turnover karyawan yang tinggi dapat berdampak negatif terhadap kelancaran operasional hotel, serta meningkatkan biaya perekrutan dan pelatihan karyawan. Oleh karena itu, penelitian ini mencoba untuk mengidentifikasi faktor-faktor yang berkontribusi terhadap keputusan karyawan untuk tetap tinggal atau keluar dari perusahaan. Metode penelitian yang digunakan adalah pendekatan kuantitatif dengan teknik pengumpulan data melalui kuesioner kepada karyawan di Hotel XYZ. Teknik analisis data yang digunakan adalah regresi linier berganda untuk mengetahui hubungan antara variabel kompensasi, motivasi dan kepuasan kerja dengan tingkat turnover karyawan. Hasil penelitian menunjukkan bahwa ketiga variabel tersebut memiliki pengaruh yang signifikan terhadap turnover karyawan, dengan kompensasi sebagai faktor yang paling dominan dalam menentukan keputusan karyawan untuk bertahan. Motivasi dan kepuasan kerja juga terbukti memiliki peran penting, meskipun pengaruhnya sedikit lebih kecil dibandingkan kompensasi. Oleh karena itu, disarankan agar manajemen Hotel XYZ memperbaiki kebijakan kompensasi dan meningkatkan motivasi dan kepuasan kerja karyawan untuk mengurangi tingkat turnover karyawan dan meningkatkan retensi karyawan yang lebih stabil.

Kata Kunci: Kompensasi, Motivasi, Kepuasan Kerja, Turnover Karyawan.

#### INTRODUCTION

The development of the tourism industry in Indonesia after the Covid-19 pandemic has experienced a very good increase, especially in the hotel industry, the hospitality industry is one that has a significant contribution to the Indonesian and global economy. According to data from the World Travel & Tourism Council (WTTC). The

tourism and hospitality sector contributes around 10.4% of the total Gross Domestic Product (GDP). According to PHRI data (Persatuan Hotel dan Restauran Indonesia) which shows that thehotel occupancy rate in 2020 ranged from 20-30%, then there was an increase in early 2021 of 23.6% and the end of 2021 slowly increased by 56.9%, the period 2022 to 2023 there

was an occupancy rate above 50%, to be precise 56.9 & and 59.7%. However, at the beginning of 2024 there was a decrease of around 45%.

An indicator to measure the economic impact of a hotel or accommodation service business is the GDP value which shows how much economic value is generated. Gross value added is the total opinion minus the total input costs. According to BPS in 2023 there were an increase in the number of hotels in Indonesia by 205 hotels, around 13% were five-star hotels and in 2023 the total hotel revenue in Indonesia reached IDR 73 trillion. This total revenue is calculated from the main revenue consisting of room rentals, food / beverage sales, facility rentals, and growth others. The accommodation business in Cimahi City has not increased or tends to be still not good, according to Cimahi Open Data data from 2017 to 2024 the number of accommodation businesses has not changed only 10 hotels and 3 of them are star hotels.

The phenomenon of employee turnover in the hotel industry is still high, in this study researchers analyzed one of the hotels in Cimahi called XYZ Hotel, one of the company's most important assets is human resources, according to Rivai (2009; 238) this turnover occurs because of the emergence of a sense of wanting to leave an organization because of the emergence of a sense of wanting to leave voluntarily or leave because of their own desires. Indirectly this affects the rate of employees affecting the company's performance. According to Jewell and Siegel (1998), turnover is a form of withdrawal from the company because feeling dissatisfaction at work creates a desire to find another job, the negative impact that will be caused is the existence of a vacant position which causes problems that occur in replacing this position requires time and money.

This research aims to provide an in-depth analysis of these factors and provide strategic recommendations for XYZ Hotel management to increase employee retention through improving compensation, increasing motivation and increasing job satisfaction. The researcher took a sample of XYZ Hotel in Cimahi because the researcher saw high issues or symptoms at the employee turnover rate following employee turnover data from October 2022 to July 2024.

Tablel 1. Employee turnover at XYZ Hotel

	Tablet 1. Employee turnover at X12 Hotel								
			Table	1 Data Lab	orturnove	r			
Laborturnover data on XYZ Hotel									
			Period (	October 20	22- July 20	24			
	Number Employees Left Number Employees Entered Total Employees					ees			
Bulan		Years			Years			Years	
	2022	2023	2024	2022	2023	2024	2022	2023	2024
Jauary	-	1	2	-	1	1	-	35	32
February	-	2	1	-	2	1	-	35	32
March	-	2	3	-	2	2	-	35	31
April	-	1	-	-	2	1	-	36	34
May	-	3	-	-	2	-	-	35	34
June	-	1	2	-	1	1	-	35	33
July	-	2	2	-	-	1	-	33	33
Agust	-	1	-	-	-	-	-	32	-
September	-	1	-	-	1	-	-	32	-
Oktober	-	-	-	-	2	-	35	34	-
November	2	1	-	1	-	-	34	33	-
Desember	2	-	-	3	-	-	35	33	-
Total	4	15	10	4	13	7	-	-	-
LTO Rate (%)	-	-	-	-	-	-	12%	44%	31%

LITERATURE REVIEW

The meaning of job satisfaction has its own meaning or has an individual

nature because essentially every human being is different in the definition of satisfaction, job satisfaction is emotional response to their work, so job satisfaction is defined as a single concept, according to (Handoko, 2016) job satisfaction is an emotional state that reflects feelings. pleasant and unpleasant involve a variety of emotions. Human resource management also needs to be considered, given that the organization is humans. controlled by So. organization must always pay attention to it. In this case, job satisfaction. The impact that will occur if job satisfaction is not good is that workers do not work completely, employees complain more and the responsibilities given are not done well by employees so that employees can leave their jobs. This job satisfaction is one of the organization's targets to retain employees to remain with the company in the long term to achieve company goals.

Compensation is any form of reward that individuals receive in return for the work or dedication they have given (Notoatmodjo, 2009: According to Prof. Dr. Veithzal Rivai, M.B.A, compensation can also be interpreted as a form of compensation for dedicated services provided by employees, which reflects the company's appreciation of individuals. Dessler employee (2005)explains that compensation includes payment or wages for all work performed. In addition, Hasibuan (2007:118) defines compensation as all forms of income, both in the form of money and goods, received by employees directly or indirectly in return for services provided company.Compensation the management is the process of developing and implementing strategies to help an organization achieve its goals and retain its employees and increase motivation commitment. Compensation and

management does not only focus on financial aspects but compensation focuses on supporting organizational goals (Cahayani, 2005). Compensation greatly influences employee behavior and performance, a good compensation system can increase motivation to work harder and retain employees for the long term (Kadarisman, 2005).

Motivation can be interpreted as an individual's desire to achieve in accordance with perseverance and effort. in the company the aim is to achieve company targets. These efforts and elements become a measuring tool for someone to be motivated to achieve something. The following is work motivation according to several experts Work motivation is an individual's process of carrying out certain actions to achieve what is desired or achieve goals (Terry, G.R., 2015). Motivation does not only come from the individual himself but is influenced by external factors in the work environment, meaning that there is individual interaction with workplace conditions when individuals feel that their needs are met, they tend to be more motivated (Benowitz, E.A, 2001).

Employee turnover is defined as the turnover or change of workforce in an organization. According to Cascio in Noviliadi (2007), turnover is permanent cessation of the working relationship between employees and the company, Ivancevich (2009; 419) states "that if employees feel they are negative (not needed, disliked and ineffective) then the employee's intensity to leave the job is higher. Meanwhile, Malayu (2012:64) defines turnover as the ratio between employees entering and leaving a company. However, if the company thinks that it must employ the right employees with potential, then turnover will be a good side, as quoted by Falconi in the journal "turnover can be good"

(2006:25) in line with Mobley's research (2007:28) Turnover can have a positive impact on the company and the employees themselves, because the presence of new employees who have greater potential can produce better performance for the company.

The Conceptual framework in this research is based on theoretical results that have been described in empirical research. In this framework, the logical relationships and flows between relevant variables are explained which will help

facilitate understanding of the research path and direction. This explanation will be accompanied by a clearer visualization regarding the relationship between the variables used in this research. This diagram is expected to be able to explain systematically how each variable is able to explain systematically how each variable interacts with each other and contributes to the overall research analysis.



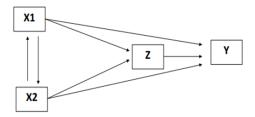


Figure 1. Conceptual Framework

#### Notes:

X1 (Compensation): Variabel Independen X2 (Motivation): Variabel Independen Z (Job Satisfaction): Variabel Intervening Y (Employee turnover): Variabel Dependen

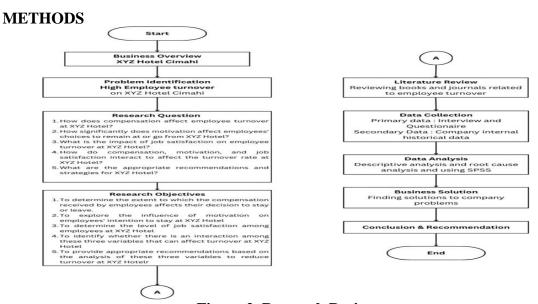


Figure 2. Research Design

This research uses a quantitative approach, where this type of research aims to explain the relationship between the variables studied through hypothesis testing. There are three variables that play a role in this study: independent variables of compensation dependent motivation; variable of employee turnover; and intervening variable of job satisfaction. Compensation is a reward from the company to employees in exchange for the work they have done. In contrast, motivation is the self-drive to work or strive to do sbetter as a result of fulfilling workers' needs, based on the theory developed by Abraham Maslow (Suwatno and Priasa, 2011: 177). employee turnover refers to employee turnover that occurs due to the permanent departure of employees from the company.

In this study, primary data were through observation obtained questionnaires distributed to employees. Meanwhile, secondary data includes information about employees, organizational structure, number of employees leaving and entering, and classification of employee identity. The population of this study consists of all employees who work at XYZ Hotel. The data analysis techniques used consist of Validity Test, Reliability Test. Descriptive Analysis, Classic Path Analysis Assumption Test. Data

processing uses SPSS assistance. Descriptive analysis is used to describe respondent data, especially regarding their responses regarding compensation, motivation, job satisfaction and employee turnover rates.

#### RESULT AND DISCUSSION

The validity test is carried out to whether the indicators questionnaires on each variable can be declared valid or not. The method used in testing the validity in this study is through the product moment validity test. This validity test is carried out by comparing r count with r table, while r table is obtained from the coefficient of determination r table of 0.632. R count is obtained from the correlation respondents' answers to each question on each variable obtained from the SPSS program with the output called corrected item correlation. While the overiability test is a test to see the reliability of the measuring instrument. Reliability is a level where the measurement or measuring instrument is accurate or precise. Meanwhile, reliability is easier to understand with aspects of stability, accuracy, and uniformity. A measuring instrument or instrument is considered reliable if it can be trusted as a tool for measuring research data. In this study, the reliability test used the Cronbach's Alpha formula with the help of IBM SPSS 25.0 software.

Table 2. Summary of Croanbach's Alpha Reliability Test Results

No.	Variabel	Hasil Uji	Keterangan
1	Kompensasi (X1)	0,729	Reliabel
2	Motivasi (X2)	0,89	Reliabel
3	Kepuasan Kerja (Z)	0,889	Reliabel
4	Labour Turnover (Y)	0,847	Reliabel

Regression analysis is usually used to test whether there is a direct influence

exerted by the independent variable on the dependent variable. Apart from that, path analysis not only tests direct effects but also explains the indirect effects exerted by intervening variables on the dependent variable.

**Table 3. Regression Coefficients Model 1** 

## Coefficientsa

		Unstandardize	d Coefficients	Standardized Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	18.023	7.172		2.513	.007
	KOMPENSASI	.597	.126	.627	3.364	.003
	MOTIVASI	.367	.139	.438	2.629	.013

a. Dependent Variable: KEPUASAN KERJA

Tabel 4. Model Summary Regression 1

Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.412ª	.270	.521	5.886

a. Predictors: (Constant), MOTIVASI, KOMPENSASI

The results of the proof of table 2. X1 = 0.003 and X2 = 0.013 which can be interpreted that the significance value is smaller than 0.05, which proves that both compensation variables (X1) and motivation (X2) have a significant influence on job satisfaction (Z). The error value can be found by referring to the table above, the R square value is

0.27, which means that the effect of X1, X2 on Z is 27%, resulting in an e1 value of 0.519.

Next, in looking for influence using path analysis is to prove that there is a significant influence between the variables of compensation (X1), motivation (X2), and job satisfaction (Z) on labor turnover (Y).

**Table 5. Regression Coefficients Model 2** 

#### Coefficients<sup>a</sup>

		Unstandardize	d Coefficients	Standardized Coefficients		
Model		В	Std. Error Beta		t	Sig.
1	(Constant)	1.123	3.202		.351	.728
	KOMPENSASI	.161	.052	.373	3.086	.004
	MOTIVASI	.140	.063	.293	2.232	.033
	KEPUASAN KERJA	.320	.070	.562	4.558	.000

a. Dependent Variable: LABOUR TURNOVER

**Table 6.** Model Summary Regression 2

# Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.764ª	.584	.546	2.413

a. Predictors: (Constant), KEPUASAN KERJA, KOMPENSASI, MOTIVASI

b. Dependent Variable: KEPUASAN KERJA

b. Dependent Variable: LABOUR TURNOVER

The results of the proving table. X1 = 0.004, X2 = 0.033, and X3 = 0.000 which can be interpreted that the significance value is smaller than 0.05, which proves that the three variables of compensation (X1), motivation (X2), and job satisfaction (Z) have a significant influence on labor turnover (Y).

The error value can be found by referring to the table, where the R square value is 0.584 which means that the effect of X1, X2, Z on Y is 58.4% resulting in an e2 value of 0.764.

### **Discussion**

- 1. Effect of Compensation on Labor Turnover (X1 Y): Compensation has a significant positive impact on reducing turnover (significance = 0.004 < 0.05). This aligns with Ahmad Said (2024), confirming Hypothesis 1.
- 2. Effect of Motivation on Labor Turnover (X2 Y): Motivation

- significantly reduces turnover (significance = 0.033 < 0.05), consistent with Isyadi M (2023), supporting Hypothesis 2.
- 3. Effect of Job Satisfaction on Labor Turnover (Z Y): Job satisfaction has a significant effect on turnover (significance = 0.000 < 0.05), as supported by Monica Aurellia (2021), validating Hypothesis 3.
- 4. Effect of Compensation through Job Satisfaction on Labor Turnover (X1 Z Y): Direct effect (0.373) is greater than indirect effect (0.184), showing significant influence, confirming Hypothesis 4.
- 5. Effect of Motivation through Job Satisfaction on Labor Turnover (X2 Z Y): Direct effect (0.562) exceeds indirect effect (0.128), demonstrating significant influence, validating Hypothesis 5.

**Table 7.** Strategy Human Resource Departement at XYZ Hotel

	Stratage	Implementation	Time Frame	
Compensation	Strategy	Steps	Time Frame	
Compensation	Revise salary structure to be competitive; Adjust incentives based on performance	Conduct industry salary analysis; Implement regular salary increments; Add performance-	3-6 months	
Motivation	Provide career training and development; Employee empowerment programs; Performance-based rewards	based bonuses  Design internal training programs; Involve employees in minor decision- making; Implement 'Employee of the Month' recognition program	3-6 months	
Job Satisfaction	Create a positive work environment; Offer work-life balance policies	Improve workplace facilities; Introduce flexible working hours	6-12 months	
Recruitment	Select candidates who align with company culture	Improve interview and psychological testing processes; Evaluate candidates for alignment with company values	1-3 months	
Retention	Conduct exit interviews; Implement mentoring programs	Review turnover reasons through exit interviews; Establish mentoring programs for new employees	6-12 months	
Analysis and Evaluation	Monitor turnover rates; Conduct employee satisfaction surveys	Run annual employee satisfaction surveys; Calculate turnover rates quarterly	Every 3 months	

#### CONCLUSION

From the research results, it can be concluded that the main problem that influences the turnover rate at XYZ Hotel is the compensation factor. This research shows that the compensation given by the company to employees is not appropriate and adequate, especially for contract employees. Employees have not received appropriate compensation related to salary, incentives and bonuses so that this has not provided financial stability for employees. This condition makes employees feel that they have not fulfilled their welfare guarantees, so this can influence employees to look for other work. Therefore, it is necessary for companies to evaluate a fair and competitive compensation system to reduce the turnover rate in the company. In addition, motivational factors play an important role in turnover. Companies rarely provide motivation, such as a lack of appreciation for exemplary employees and a lack of employee training and selfdevelopment. Low motivation affects the level of job satisfaction, because feeling that you are less appreciated when motivation and job satisfaction decreases, the risk of turnover increases significantly. The research results also show that compensation, motivation and satisfaction factors together influence 73% of the turnover rate at XYZ Hotel. The remaining 27% are other factors not examined in this study. Researchers provide recommendations for adding an HRD division in this problem, the role of HRD HRD has the responsibility to not only improve compensation and motivation programs, but also increase job satisfaction through creating a positive work environment. By strengthening communication, providing supportive work facilities, and conducting regular surveys understand employee needs, HRD can

help reduce turnover. These steps will not only lower turnover rates, but also strengthen employee loyalty, increase productivity, and support overall company growth.

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