Job Satisfaction and Turnover Intention: The Moderation Role of Financial Compensation

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Abstract

In managing Human Resources in a company, a leader must be able to handle the phenomenon of turnover intention. Turnover intention is a problem that arises in an organization involving the desire to leave employees. The turnover intention that occurs indicates low employee loyalty and a weak managerial system in the company. This research aims to examine the influence of job satisfaction variables on the turnover intention phenomenon and examine the role of financial compensation variables in moderating the influence of job satisfaction variables on the turnover intention phenomenon. The type of research used in this research is explanatory research. Sampling in this research was carried out using a purposive sampling technique or non-random sampling technique. The sample in this study involved 90 employees at PT. HM Sampoerna Semarang, all of which met the criteria to be used as samples. The data source in this research is primary data in the form of a questionnaire. The type of data in this research is cross section. In the research, it was found that the job satisfaction of each employee is relatively high, one of the factors that triggers turnover intention in this company is job satisfaction. The research results show that there is an influence between job satisfaction variables on turnover intention, and financial compensation cannot be a moderating variable or a supporting factor in the influence of job satisfaction on turnover intention at PT. HM Sampoerna Semarang.

Keywords: turnover intention; job satisfaction; financial compensation; human resources.

1. Introduction

Today's rapid business competition has caused many companies to realize the importance of human resources (HR), which is an important resource. Leaders and departments that handle human resources must understand human resource management issues well in order to manage HR well (Yolanda & Abrian, 2021). Park & Min (2020) stated that turnover intention is a problem that often arises in an organization regarding employees' desire to leave. Turnover intention that occurs in companies is one illustration of low employee loyalty to the company. A high company turnover rate will have an impact on company revenue because turnover raises recruitment costs, training costs, and costs incurred to fill empty positions within the company (Yasin et al., 2021).

PT. Hanjaya Mandala Sampoerna (HM Sampoerna), which is a private company that produces cigarettes in Indonesia, has a very low employee turnover rate. Job satisfaction is an employee's perspective on their work, which is positive or negative. Increasing job satisfaction will affect the quality of employee work, which will have a good influence on achieving company goals (Romayanti, 2021). According to Zakaria & Astuty (2017), their research found that there is a negative and significant correlation between job satisfaction and turnover intention. According to Mahadewi & Rahyuda (2020), their research also found that job satisfaction has a negative and significant effect on employee turnover intention.

Failure to fulfill compensation can be a trigger for turnover intention. A study of the relationship between compensation and labor turnover intention was carried out by Yolanda & Abrian (2021) which revealed that implementing a fair and appropriate compensation system will prevent labor turnover intention from occurring. This statement is also

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strengthened by research results (Andalia, 2018) which state that there is an influence between financial compensation and job satisfaction.

Based on the research results that have been described, this research will test how much influence job satisfaction and direct financial compensation have on turnover intention. So the problem formulation presented is as follows: 1) Does job satisfaction influence turnover intention? 2) Can financial compensation moderate the influence of job satisfaction on turnover intention?

2. Literature Review

2.1. Turnover Intention

Employee turnover or employee turnover from an organization is an important phenomenon in organizational life. Most employee turnover has a negative impact on the organization, both in terms of costs and in terms of lost time and opportunities to take advantage of opportunities. According to Kurniawaty et al., (2019) Trunover Intention is the level or intensity of the desire to leave the company. Meanwhile, according to Yücel, (2021), an expert in the issue of employee turnover defines turnover as the termination of an individual from being a member of the organization concerned. Aburumman et al. (2020), explains that turnover can occur voluntarily which is caused by factors how attractive the current job is, and the occurrence of other alternative jobs. On the other hand, involuntary turnover or dismissal describes the decision to terminate the employment relationship and is uncontrollable for the employee who experiences it.

2.2. Job satisfaction

Bhastary, (2020) in his writing states that job satisfaction (job statistic) is a pleasant or unpleasant emotional state with which employees view their work. Job satisfaction reflects a person's feelings towards his job. This can be seen in the employee's positive attitude towards work and everything they encounter in their work environment. Basri & Rauf, (2021) define job satisfaction as a general attitude towards one's work.

2.3. Compensation

Compensation is what employees receive in exchange for their contribution to the organization (Firmansyah, 2020). Aulia et al. (2019) states that employee compensation is any form of reward given to employees and arises from the employee's employment. Meanwhile, according to Nugraheni et al. (2016) compensation is a cost for the company.

Devi & Sudibia, (2015) in their article state that compensation can be divided into two, namely direct compensation and indirect compensation. Direct compensation consists of basic salary or wages and variable salaries such as bonuses, incentives, and employee stock ownership plans. Meanwhile, indirect compensation takes the form of benefits such as pension programs, recreation programs, family benefits, health insurance, job security, work leave and so on.

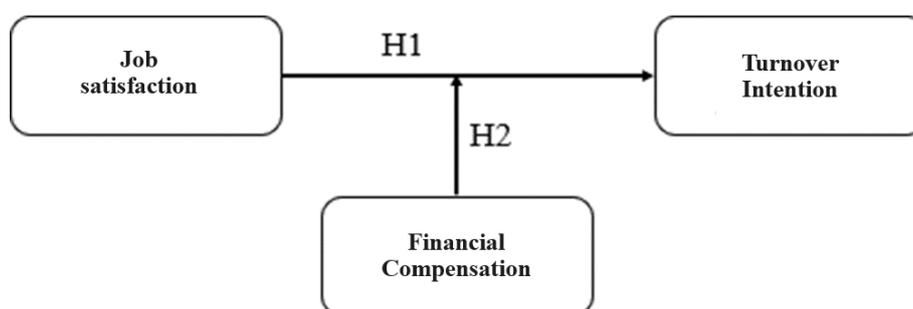### 2.4. Theoretical Framework

Figure 1. Theoretical Research Framework

Based on the framework, there are 2 hypotheses that will be used in this research. These hypotheses include:

H1: Effect of Job Satisfaction on Turnover Intention

H2: Financial compensation moderates the effect of job satisfaction on turnover intention

2.5. Research Hypothesis

a.   The Influence of Job Satisfaction on Turnover Intention

Research conducted by Aburumman et al. (2020) shows that all aspects of job satisfaction including promotions, the job itself, and supervision except coworkers have a negative effect on turnover intention. Researchers have attempted to prove the negative influence to explain that the higher the job satisfaction, the lower the employee's intention to leave the company (Park & Min, 2020). This research is also in line with research conducted by Dewi, (2019) which states that job satisfaction has a negative effect on turnover intention. Romayanti (2021) in her research also found a negative and significant correlation between job satisfaction and turnover intention. There is an influence of job satisfaction on turnover intention, Mayawati (2021) in her research also found that job satisfaction has a negative and significant effect on employee turnover intention.

H1: Job satisfaction has a negative effect on turnover intention

b.   The Influence of Job Satisfaction onTurnover IntentionModerated By Financial Compensation

Compensation can be the main reason employees perform*turnover*, because if employees feel that their compensation is not sufficient then employees will look for another place of work that can provide more compensation. Compensation has a big influence on employee attraction, motivation, productivity and employee turnover rates (Irawan, 2018). In research by Zakaria & Astuty (2017) which explains that there is a negative influence between compensation and*turnover intention*which is in contrast to research conducted by Zakaria & Isthofaina (2017) which states that compensation has no effect on the desire to change jobs.

Many factors influence employee job satisfaction. The factors themselves play a role in providing satisfaction to employees depending on the personality of each employee. Mahadewi & Rahyuda, (2020) stated that one of the factors that determines a person's job satisfaction is the financial factor, which is a factor related to employee security and welfare, which includes the salary system and amount, social security, various benefits, facilities provided, promotions. , etc.

H2: Financial compensation moderates the effect of job satisfaction on turnover intention.

3. Methods

3.1. Types of research

The type of research used in this research is explanatory research. According to Sugiyono, (2012), explanatory research is a research method that aims to explain the position of the variables studied and the influence between one variable and other variables. The main reason this researcher uses explanatory research methods is to test the proposed hypothesis, so it is hoped that this research can explain the influence between the independent and dependent variables in the hypothesis.

3.2. Population and Sample

The population of this study are employees of PT. HM Sampoerna Semarang. Sampling was carried out using the Purposive Sampling techniqueby applying non-random sampling techniques. Researchers determine sampling by determining special characteristics that are in accordance with the existing research objectives. The sample criteria set are as follows:

Table 1. Sample Criteria

No	Criteria
1.	Is an employee of PT. HM Sampoerna Semarang
2.	Have worked for at least 3 years

3.3. Types and Techniques of Data Collection

The type of data used in this research is cross section. The data source in this research is primary. Primary data is in the form of a questionnaire which is distributed directly according to the specified sample. Data collection for this research used a questionnaire. After that, the researcher will distribute a list of questions to respondents and respondents can choose answers to each question from the questionnaire. The measurement scale used in this research is a Likert scale, namely a score of 5 (strongly agree), 4 (agree), neutral (3), disagree (2), and strongly disagree (1).

3.4. Analysis Techniques

a. Validity test

The validity test is that data can be trusted if it corresponds to reality. The validity test is used to measure whether data is valid or not. Data is said to be valid if r count > r table and is positive, then the questions in the questionnaire are declared valid (Ghozali, 2018).

b. Reliability Test

The reliability test is an instrument that is quite reliable as a data collection tool because the instrument is good. A questionnaire can be said to be reliable if the answers given by respondents to a statement are consistent or stable over time. The estimate that will be used in this research is Cronbach's Alpha. A good Cronbach's Alpha value is above 0.60 (Ghozali, 2018).

c. Normality test

The normality test aims to test whether the residual values are normally distributed or not. The normality test can be carried out in various ways, one of which is the non-parametric analysis of the Kolmogorov Smirnov test. Normality testing is carried out by comparing significant values. If the Sig value. ≥ 0.05, then the data is normally distributed, conversely if the Sig. < 0.05, then the data is not normally distributed (Tanzeh & Arikunto, 2020).

d. Heteroscedasticity Test

The heteroscedasticity test aims to test whether in the regression model there is an inequality of variance from the residuals of one observation to another. One method used to see cases of heteroscedasticity is the Gletjer test. The Gletjer test is carried out by regressing residuals and independent variables, where a variable is said to not experience heteroscedasticity if its significance value is greater than 0.05 (Ghozali, 2018).

e. T-test

The t statistical test is also called the individual significance test. This test shows how far the independent variable partially influences the dependent variable. The t test can be done by comparing the calculated t with the t table using an alpha value of 5 percent. If t count is greater than t table then H0 is rejected, but if t count is smaller than t table then H0 is accepted

3.5. Test of Moderated Regression Analysis (MRA)

To test the influence of moderating variables, an interaction test is used, namely Moderated Regression Analysis (MRA). Regression with Moderated Regression Analysis (MRA) generally causes problems because there will be high multicollinearity between independent variables (Fay, 2009). In this research, Moderated Regression Analysis (MRA) was used to test the second hypothesis (H2). The testing model in the equation is as follows:

$$\text{Turnover intention} = \beta 0 + \beta 1 \text{ Job Satisfaction} + e \tag{1}$$

$$\text{Business performance} = \beta 0 + \beta 1 \text{ Job satisfaction} + \beta 2 \text{ Job satisfaction* Financial compensation} + e \tag{2}$$

4. Result and Discussions

4.1. Validity test

This validity test involved 90 employees who met the research sample criteria with a total of 15 questions that received answers from all respondents in the research. It is known that the validity test is a prerequisite test in a research model, so the results of validity test shown on Table 2.

Table 2. Validity Test Results

Question Number	Pearson Correlation	Sign	Information
Question 1	0.413	0,000	Valid
Question 2	0.545	0,000	Valid
Question 3	0.579	0,000	Valid
Question 4	0.583	0,000	Valid
Question 5	0.610	0,000	Valid
Question 6	0.586	0,000	Valid
Question 7	0.595	0,000	Valid
Question 8	0.521	0,000	Valid
Question 9	0.493	0,000	Valid
Question 10	0.528	0,000	Valid
Question 11	0.274	0.009	Valid
Question 12	0.252	0.016	Valid
Question 13	0.264	0.012	Valid
Question 14	0.297	0.004	Valid
Question 15	0.238	0.024	Valid

The results of this validity test show that all question items in the questionnaire are declared valid. This is based on the basis of decision making where in validity testing, a questionnaire item is declared valid if the sign value is <0.05.

4.2. Reliability Test

This test was carried out to assess whether or not the measuring instruments used in the research were appropriate. The results of reliability test shown on Table 3.

Table 3. Reliability Test Results

Cronbach's Alpha	N of Items
0.729	15

In this test, the Cronbach's Alpha value was 0.729. The results of this test were declared reliable, on the basis of decision making that a questionnaire can be declared reliable if the Cronbach's Alpha value is more than 0.6. This shows that in this research, the measuring instrument used is suitable to be used as a research analysis tool because it has consistency if done repeatedly.

4.3. Normality test

The normality test used in this study uses Kolmogorov Smirnov which aims to determine whether the residual value has a normal distribution or not. The results of normality test shown on Table 4.

Table 4. Normality Test Results

One Sample Kolmogorov-Smirnov Test		Unstandardized Residuals
N		90
Normal Parameters	Mean	,0000000
	Std. Deviation	2.69321076
Most Extreme Differences	Absolute	,079
	Positive	,059
	Negative	-,079
Statistical Tests		,079
Asymp. Sign. (2-tailed)		,200

Based on the results of the normality test (Table 4), a significance result of 0.200 was obtained. These results indicate that the residual values in this study are normally distributed. This refers to the basis for decision making, where if the significance value is > 0.05 then this test will be declared normally distributed.

4.4. Heteroscedasticity Test

This test is carried out with the aim of testing whether in this regression model there is an inequality of variance from the residuals of one observation to another observation. The results of this test shown on Table 5.

Table 5. Heteroscedasticity Test Results

Model	F	Sig.
Regression	1,213	0.302

Based on the test results on Table 5, it can be concluded that in this study there were no symptoms of heteroscedasticity, because this test had a significance value of 0.302. This is based on the basis of decision making, which states that if the significance value is more than 0.05 then the test is declared to have no symptoms of heteroscedasticity.

4.5. T test

This test is used to determine whether there is an influence of two or more independent variables on the dependent variable. The results of this test state that:

Table 6. T Test Results

Variable	t	Sig.
Total X	2,630	0.010
Total M	0.193	0.848

From the test results, a result of 0.010 was obtained for variable This can be concluded based on the basis of decision making, where if the significance value is less than 0.05 then it can be assumed that there is an influence between variables.

4.6. MRA test

Testing is used to test the effect of moderating variables. This test aims to determine the form of interaction between the independent variables and the moderating variable. The results of this test shown on Table 7.

Table 7. MRA Test Results

Variable	t	Sig.
Total X	1,577	0.118
X1M	0.050	0.960

From the test results, a significance result of 0.118 was obtained, where this result was more than the significance reference of 0.05. With these results, it can be concluded that H2 is rejected, because the financial compensation variable is unable to moderate the influence of the job satisfaction variable on the turnover intention variable. This decision is made if the significance value is > 0.05 then it can be concluded that variable M is not able to moderate variable X towards variable Y.

5. Conclusions

Job satisfaction of every employee at PT. HM Sampoerna is classified as high, with many aspects that are the basis for this satisfaction. One of the factors that triggers the high turnover intention rate at PT. HM Sampoerna is a job satisfaction factor. Financial compensation cannot be a moderating variable or factor that can support the influence of job satisfaction on turnover intention at PT. HM Sampoerna.

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