

**The Influence of Compensation and Career Development
Mediated Through Employee Engagement Toward
Turnover Intention of The Permanent Officers Employees at
The Head Office of PT Bank Syariah Mandiri**

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ABSTRACT

Human resources is one of the crucial aspects to achieve the company goals. Turnover intention is a serious problem encountered by the company because it can disrupt the company activities in achieving its goals. Turnover intention is the process or attitude of an employee to consider leaving the current job, and to find alternative employment opportunities in other organizations or companies that are better. The objective of this research was to find out the influence of Compensation and Career Development mediated through Employee Engagement toward Turnover Intention of the permanent officers employees at the Head Office of PT Bank Syariah Mandiri. In this research, the researcher took the samples by using non-probability sampling method with a purposive sampling technique. The samples were the permanent officers of PT. Bank Syariah Mandiri (Head Office) consisted of 291 respondents from the total of 404 permanent officers. The researcher used structural equation model in testing, analyzing the data, and model development. The Data were analyzed by using statistical software tools (LISREL 8.8). The results were: 1) Compensation has a direct negative influence on turnover intention, 2) Career development has a direct negative influence on turnover intention, 3) Compensation has a direct positive influence on employee engagement, 4) Career development has a direct positive influence on employee engagement, 5) Employee engagement has a direct negative influence on turnover intention, 6) Compensation has an indirect negative influence on turnover intention through employee engagement and 7) Career development has an indirect negative influence on turnover intention through employee engagement.

Keywords: Compensation, Career Development, Employee Engagement, Turnover Intention.

INTRODUCTION

To compete in this era, Banks must have quality human resources. Human Resources in organizations is the crucial aspects which determines the influenceiveness of an organization. Hence, organizations always need to invest through carrying out human resource management functions ranging from recruitment, selection, and to maintaining human resources.

Turnover intention is a serious problem encountered by the company because it can disrupt the company activities in achieving its goals. According to Robbin (2012) turnover is as a permanent dismissal of employees from the company either done by the employees themselves (voluntarily) or those carried out by the company.

Employee turnover can affect financial and non-financial of a company (Kumar, Ramendran & Yacob in Lum (2018). According to Lalitha and Singh in Lum (2018), the expenditure costs included are the costs of recruiting, training and apprenticeship, loss of productivity, reduced engagement, disruptions in service that have a negative influence on company culture. Moreover, Borah & Malakar in Lum (2018) state that by the high costs spent, organizations focus on retaining talented employees and reducing turnover. According to Tzabbar & Kebbe in Bebe (2016) when employee turnover occurs, it will disrupt the company operations, especially employees who have good performance leaving the company while the company still relies on them.

There are two banking systems that are applicable in Indonesia, namely conventional banking and Islamic banking. Islamic banking in Indonesia is growing every year, so it requires competent and understanding human resources towards the Islamic banking system. The employees of conventional banking migrate to Islamic banking because conventional banking uses the usury system which is clearly unlawful. However, some people still work in conventional banks without considering this due to other factors. One factor is the compensation given is better than in Islamic banking. There are even employees of Islamic banking to move to conventional banks due to the compensation offered is greater and so forth.

In Indonesia, the increasing number of turnover in the banking world is shown by the results of a survey by Watson Wyatt stated at the Global Strategic Reward press conference (Suhendro, 2008). According to the survey, in 2007, the number of turnover in the banking sector for key positions such as managerial level and above reached 6.3% -7.5%, whereas, in general, in the industry it is only 0.1% - 0.74% . Therefore, the high number of turnover in the banking sector must also receive serious attention because it can affect the efficiency and influenceiveness of the banking sector itself. Employee turnover can disrupt the organization's plans and strategies to achieve its goals according to Abasi & Hollman in Ahmad and Omar (2010), which is related to the reduction in human resources and the loss of talented staff needed by the organization. The results of the 2014 Pricewaterhouse Coopers (PwC) Indonesia survey (LSPP, 2018) about the banking industry in Indonesia showed employee turnover in this sector reached 15%. The increasing number was caused by the demand for human resources (HR) in this sector is still high, while the available supply is low. The survey conducted by PwC Indonesia shows that human resources in the banking industry often move to other companies. As many as 54% of respondents moved for better benefits. Moreover, 37% of respondents stated looking for other workplaces for career advancement. The research results also showed that 4% of respondents moved because they wanted a challenge, while the other 4% moved because they were not satisfied with the leadership style of their superiors. The PwC claims that the results of this survey show 80% of the assets of the banking industry in Indonesia. The survey respondents were the top management of 30 major banks in Indonesia. The survey was conducted from January to February 2014 based on the explanation of Helen (2014) on Bisnis Indonesia.

Banks have poor statistics in handling human resources (HR). Turnover in banks for business functions reaches 25% a year. There are only one-third of loyal employees, and nearly half of employees think of getting ready to move to another bank for career advancement. Companies in Indonesia, including banks, also stated that most (8 out of 10) encountered problems in retaining their best employees based on information from the Bankers Association website (Awaldi, 2014).

Employee turnover is unavoidable within the company. For instance, the number of employees of the BSM (head office), especially for permanent officers at the end of December 2017 consisted of 393 people was reduced by 19.80% of the total employees

or as many as 78 employees resigned as of December 31, 2018. This also occurred in the previous year at the end of December 2016 that out of a total of 388 BSM permanent employees, there were 91 BSM employees who resigned or around 23.53%. This shows the high number of turnovers. Table 1.1 shows the BSM permanent employee turnover data for the last 5 years (Data for 2014-2018):

Table 1. Turnover of Permanent officers of PT Bank Syariah Mandiri (Head Office)

Year	Total Permanent Officers	Total Resigned Permanent Officers
2018	404	78
2017	393	91
2016	388	100
2015	558	64
2014	530	63

Source: Processed Data of Human Capital Service Group PT Bank Syariah Mandiri

Based on the results of interviews with several BSM employees, the researchers found that the employees wanted to resign due to several factors including compensation, career development and employee engagement. BSM employees who get a higher compensation offer than other companies have a tendency to move. If the company compensates well and can satisfy employees, it will increase employee engagement with the company and can reduce employee turnover intention.

Career development is very important for employees in the company, so that employees are loyal to the company, especially at PT Bank Syariah Mandiri. If the employee's career has not developed, the employee will try to look for opportunities in other companies to develop his career. In addition, when employees are given the opportunity to develop their careers, it will increase employee engagement with the company.

Involving employees in determining business targets and company goals is very important because there will be an engagement between employees and the company (employee engagement). Thus, the higher employee engagement can lead to lower employee turnover.

The above description is supported by several previous researches on the issue of turnover intention. According to a research conducted by Juhdi, Pa, Milah, & Hansaram (2013) it was found that compensation has a significant negative direct influence on turnover intention, as well as research conducted by Santhanam et al. (2015), Guan et al. (2015), Chen et al. (2013) and Theron et al. (2014) that there was a significant negative direct influence between compensation and turnover intention. Furthermore, a research conducted by Vos & Meganck (2008), Santhanam et al. (2015) and Cao, Chen, & Song (2013) that there was a significant negative direct influence between career development and turnover intention.

In a research conducted by Ravikumar (2013) and Sharma & Krishnan (2012), found that there was a significant positive direct influence between compensation and employee engagement. According to Alias et al. (2016) and Anitha (2014) in their research found that career development had a significant positive direct influence on employee engagement. According to Alarcon & Edwards (2011), Harter et al. (2002) and Collini et al. (2015) in his research it was found that there was a significant negative direct influence between employee engagement and turnover intention.

In addition, Alfes et al. (2013), Juhdi et al. (2013) dan Memon et al. (2017) in their research found that compensation has an indirect significant negative influence on

turnover intention through employee engagement. A Research conducted by Kumar et al. (2018) and Alfes et al. (2013) found that career development has an indirect significant negative influence on turnover intention through employee engagement.

From the description above, it can be concluded that every company needs qualified and competent human resources in their fields in order to be able to achieve its goals. To maintain the most valuable assets, human resources (HR), every company must be able to provide proper compensation, certainty of career development and foster employee engagement. Based on these phenomena, the researcher was interested in writing a dissertation entitled "The Influence of Compensation and Career development mediated through Employee Engagement toward Turnover Intention of the permanent employees at the Head Office of PT Bank Syariah Mandiri".

Literature Review

A. Turnover Intention

Meyer & Tett (1993) state that turnover intention is the conscious and deliberate desire to leave the organization. Furthermore, Lamber et al., Mobley et al., Mor Barak et al., Aaron et al. in Park (2018) say that turnover intention is a cognitive process for considering leaving work and finding alternative work. According to Mobley, Horner, & Hollingsworth in Hsu (2002) there are indicators in measuring turnover intention, namely: 1) Thinking of quit, 2) Intention to search for alternatives, and 3) Intention to quit.

Based on the description above, it can be synthesized that turnover intention is the desire or intention of employees to leave the company voluntarily which can be avoided and unavoidably based on various reasons with indicators (1) thinking of quitting, (2) intention to search for alternatives, and (3) intention to quit.

B. Employee Engagement

In a book written by Armstrong (2012), it is stated that employee engagement is part of the People and Organization chapter. The concept of employee engagement is often defined as a willingness to work with extra time (Armstrong, 2012).. A study conducted by Maslach, Schaufeli, & Leither (2001) defines Employee enegement as "a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication and absorption". It is similar to the opinions of researchers Schaufeli, Salanova, Gonzalez-Roma, & Bakker, (2002). Whereas Khan in Saks (2017) states that employee engagement is the harnessing of organizational members to their work roles and employing and expressing oneself physically, cognitively, and emotionally during role performances. In the opinion of Harter et al., (2002), employee engagement is "the individual's involvement and satisfaction with as well as enthusiasm for work". Dessler (2013) argues that employee engagement is a psychological employee who feels involved, connected and committed in his work to the organization. Poor presence and psychological sense that do not want to be involved in organizational activities are disengaged employees.

In measuring employee engagement, Schaufeli & Bakker (2003) states that there are 3 (three) indicators in employee engagement, which include: Vigor, Dedication, and Absorption.

Based on the description above, it can be synthesized that employee engagement is a bond of the attitude of a person or employee in work in the company with indicators of vigor, dedication and absorption that are able to optimally encourage individual performance in order to make the company able to achieve its goals, and its superiority in competition.

C. Compensation

Compensation is a reward received by the employees as a substitute for their service contribution to the company. The provision of compensation is one of the functions of human resource management that relates to all types of individual rewards in exchange for carrying out organizational tasks. (Rivai, 2006) states that compensation is what is received by employees, either in the form of money or not money as a remuneration given for employee efforts (employee contributions) that they provide to the organization. According to Werther and Davis in Wibowo (2010), compensation is what workers receive as rewards for their contribution to the organization. Mondy & Noe (2005) defines compensation is as "the total of all rewards provided employees in return for their services".

Mondy & Noe (2005) states that there are two groups of compensation given to employees, namely: 1) Financial Compensation which consists of Direct Financial Compensation (salary, bonuses and commissions) and Indirect Financial Compensation (health insurance, pensions, Religious Holiday Allowance, etc.), and 2) Non-Financial Compensation consists of: a) Non-Financial The Job which can be in the form of interesting work, the opportunity to use the skills possessed, training, authority and responsibility, respect for performance, and recognition from superiors, and b) Non Financial Job Environment which relates to the work environment in the form of competency supervision, comfortable working conditions, job sharing, and the opportunity to develop in the work environment.

Based on the description above, it can be synthesized that compensation is a form of return both financial and non financial received by the employees as a substitute for the contribution of the use of their services to companies aimed at maintaining and attracting quality human resources. Compensation indicators are divided into two types as follows: (1) direct financial compensation, and (2) indirect financial compensation.

D. Career Development

According to Greenhaus & Callanan (2006), "Career development is a lifelong process of managing learning, work and transitions in order to move toward a personally determined and evolving preferred future". Moreover, career development according to Rivai (2009) is a process of increasing individual work skills achieved in order to achieve the desired career. In addition, Gaol (2014) defines carrer development as personal improvements by a person to achieve personal career planning.

DeSimone & Werner (2012) argues that it is important to distinguish between two sets of activities that can be included in career development: Career Planning and Career Management. There are several career development indicators according to Handoko (2008) consisting of work performance, exposure, organizational loyalty, mentors and sponsors, opportunities for growth and management support.

Based on the description above, it can be synthesized that career development is a process of managing learning, working, and a set of personal goals that lead to the achievement of high achievements for personal career advancement in an organization. The Indicators include career planning, opportunities for growth and organizational loyalty.

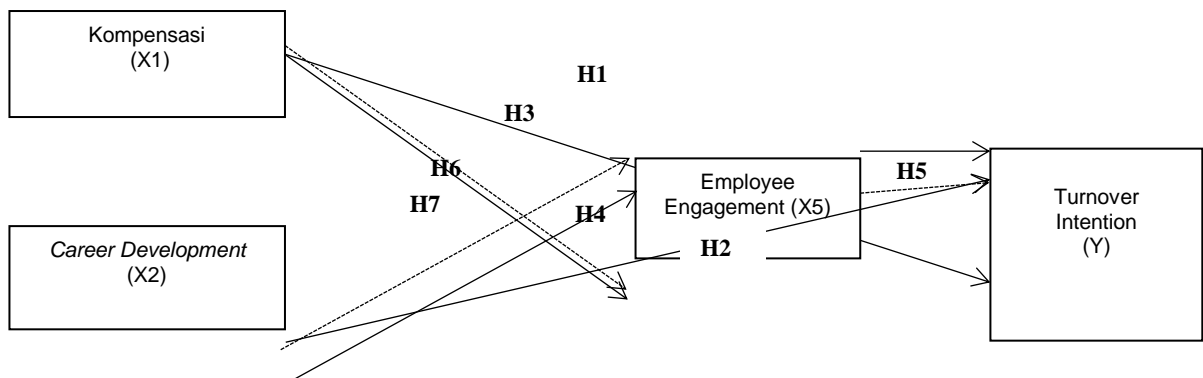
RESEARCH METHOD

In this research, the researcher used a quantitative approach through survey methods. The data were analyzed by using the Structural Equation Modeling (SEM) method. In collecting the data, the researcher used questionnaires and tests that had been prepared beforehand. The objective of this research was to find out the relationship between

variables, as well as to find out the influence of one variable with another. The variables are Compensation (X1), Career Development (X2), Employee Engagement (X3) and Turnover Intention (Y). The following are the research instrument grids and the relationships between the research variables which can be described in the research constellation as follows:

Table 2
The Research Instrument Grids

Variable	Indicator	Source	Item
Turnover Intention (Y)	Thinking of quit	Mobley, Horner, & Hollingsworth in Hsu (2002)	2
	Intention to search for alternatives		3
	Intention to quit		3
Compensation (X1)	Direct financial compensation	Mondy & Noe (2005)	5
	Indirect financial compensation		8
Career Development (X2)	Career Planning	DeSimone & Werner (2012)	2
	Opportunity to grow	Handoko (2008)	4
	Organizational loyalty	Handoko (2008)	3
Employee Engagement (X3)	Vigor	Schaufeli & Bakker (2003)	4
	Dedication		4
	Absorption		4



Picture 1. The Research Constellation

Based on the descriptions in the conceptual description, relevant research results, and theoretical framework, therefore, this research hypotheses can be formulated as follows:

1. There is a negative direct influence of compensation on turnover intention.
2. There is a negative direct influence of career development on turnover intention.
3. There is a positive direct influence of compensation on employee engagement.
4. There is a positive direct influence of career development on employee engagement.
5. There is a negative direct influence of employee engagement on turnover intention.

6. There is an indirect negative influence of compensation on turnover intention with employee engagement as an intervening variable.
7. There is an indirect negative influence on career development on turnover intention with employee engagement as an intervening variable.

The population of this research were the permanent employees of PT Bank

Syariah Mandiri (Head Office) consisting of 291 respondents from the total of 404 permanent officers. To take the sample, the researcher used a Non-Probability Sampling method, with a Purposive Sampling technique. Non-probability sampling method can be defined as a method of selecting research samples that do not provide equal opportunity or probability for all samples in the population to be part of research (Schindler & Cooper, 2014). Schindler & Cooper (2014) further explained one of the sample selection techniques in non-probability sampling, namely Purposive Sampling, referring to the method of determining research samples based on certain criteria in accordance with the scope of the study, namely permanent officer employees at PT Bank Syariah Mandiri. The data were analyzed by using the Structural Equation Modeling (SEM) method, namely Lisrel, and utilizing the Lisrel 8.80 software.

RESULTS AND DISCUSSIONS

In this research, the researcher obtained 332 completed questionnaires after distributed them to 364 the permanent employees of PT Bank Syariah Mandiri. Yet, due to the incomplete, inaccurate (in the same answer) questionnaire filling, and are not in accordance with the specified target respondents, then the questionnaire responses were filtered and 291 questionnaires were successfully entered into the data processing. The following are the results of the respondents' profile analysis:

Table 3. The Profile of Repondents

Profile	Category	Total	Percentage
Gender	Male	204	70,10%
	Female	87	29,90%
Age	25 yo – 30 yo	59	20,27%
	31 yo – 35 yo	107	36,77%
	36 yo – 40 yo	84	28,87%
	≥ 40 yo	41	14,09%
Latest Education	S1	255	87,63%
	S2	35	12,03%
	S3	1	0,34%
Marital Status	Married	238	81,79%
	Single	53	18,21%
Employment Status	Contract Employee	0	0,00%
	Permanent Employee	291	100%
Position	Director	0	0,00%
	Officer	291	100%
	Department Head	0	0,00%
Length of work	≤ 1 year	7	2,41%
	> 1 – ≤ 3 year	21	7,22%
	>3 - ≤5 year	34	11,68%
	>5 year	229	78,69%

Based on table 4 above, it can be seen that the majority of respondents are male which is at the percentage of 70.10%, while the percentage of female respondent is at 29.90%. Furthermore, in the age section, the majority of respondents who are 31-35 years old are at the percentage of 36.77%, while sequentially followed by respondents who are 36-40 years old are at the percentage of 28.87%, the percentage of respondents who are 25 - 30 years old is at 20.27%, and the percentage of respondents who are ≥ 40 years is at 14.09%. From the latest education level, 87.63% of respondents had a bachelor degree background, followed by 12.03% of respondents with postgraduate education, and 0.34% were doctoral. The majority of respondents who are married is at a percentage of 81.79%, then the remaining 18.21% are single. There are about 100% of respondents are permanent employees as officers which are the main criteria of respondents in this research. Based on the length of work, 78.69% of employees stated that they had worked at BSM for more than 5 years, then sequentially as much as 11.68%; 7.22%; and 2.41% said they had worked for 3 to 5 years, 1 to 3 years, and less than one year.

Goodness of Fit

The results of the questionnaires of 291 permanent employees of PT Bank Syariah Mandiri (Head Office) have been processed using LISREL software. Goodness of fit is an indication of the comparison of the model specified with the covariance matrix among indicators or observed variables. The following is the goodness of fit statistics:

Tabel 4 Goodness of Fit Statistics

GOF Measures	Value	Label
Absolute Fit Measures		
Statistic Chi-Square	(df: 773)	
P-value	1403,083 (P = 0,0)	Poor Fit
GFI	0,809	Marginal Fit
SRMR	0,0415	Good Fit
RMSEA	0,053 (P = 1,00)	Good Fit
ECVI	5,445	
Saturated ECVI*	5,938	Good Fit
Independence ECVI *	195,968	
Incremental Fit Measures		
NNFI	0,988	Good Fit
NFI	0,976	Good Fit
AGFI	0,787	Poor Fit
RFI	0,974	Good Fit
IFI	0,989	Good Fit
CFI	0,989	Good Fit
Parsimonious Fit Measures		
AIC	1579.083	
Saturated AIC*	1722.000	Good Fit
Independence AIC*	56830.667	
Normed Chi-Square	1,815	Good Fit
CAIC	1990.336	
Saturated CAIC*	5745.731	Good Fit
Independence CAIC*	57022.273	

Source: Ouput LISREL 8.80

The results of the Goodness of Fit of the overall structural model in the table above have the same value as the results of the Goodness of Fit of the measurement model so that the analysis can be evaluated from the explanation of the previous measurement model. There are 11 index values that have good fit results and have represented both absolute, incremental, and parsimonious fit measures so that the fit of the research model is Good through the following summary:

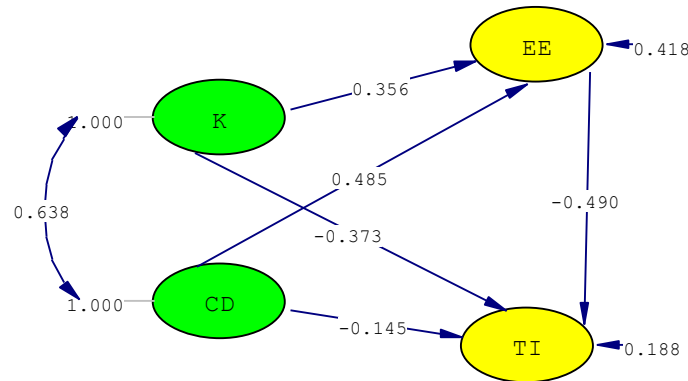
1. Through Absolute Fit Measure, it can be seen that there are 4 indexes of the goodness model that have Good Fit results, namely SRMR, RMSEA, ECVI, while the statistic Chi-Square measure shows the Poor Fit Index and GFI measure shows the Marginal Fit index.
2. From the incremental fit measures, there are 5 indexes of the goodness model that have good fit results including NNFI, NFI, AGFI, RFI, IFI, CFI with index values > 0.90, while AGFI measure shows the Poor Fit Index.
3. Parsimonious fit measures with a single model include AIC, Normed Chi-Square, and CAIC show good results with the Normed Chi-Square value which is less than the limit of 5. AIC and CAIC have a smaller difference with the saturated value compared to the independence value.

The GOF measurements on the structural model above show the same results as the GOF measurements output on the fit test of the measurement model, therefore, it can be said that the model is good because there is no significant change between the two models. There is no absolute fit measure model in evaluating the model in SEM (Wijanto, 2015).

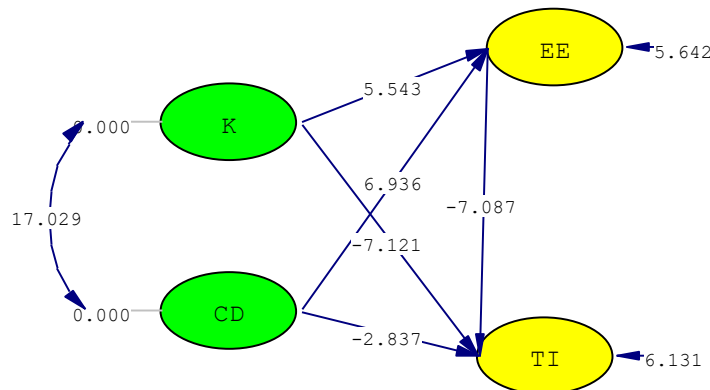
Hair (2010) explains that a good model assessment ideally comes from a minimum of one measurement index having the goodness of fit of each index category namely absolute, incremental, and parsimonious fit measures, which has been proven from table 4 above in order to support the conclusion that the research model has goodness of fit.

Causal Relationship among Variables

The results of the questionnaires of 291 permanent employees of PT Bank Syariah Mandiri (Head Office) have been processed using LISREL software. The structural model analysis found that the estimated value of the causal relationship among compensation variable (X1), career development variable (X2), employee engagement variable (X3) and turnover intention variable (Y) are standardized, while hypothesis testing is carried out by looking at the t-value. The following is the full path SEM diagram with 4 latent variables:



Picture 2
Structural Model (*Standardized Solution*)



Picture 3
Structural Model (*T-Value*)

From the results of the structural model analysis shown in Picture 2 and 3, it is shown that the estimation of causal relationships between compensation variable (X1), career development (X2), employee engagement (X3) and turnover intention (Y) which are standardized in the form of t-value and standardized solution value. The causal relationship among variables can be described as follows:

Table 5. Causal Relationships among Variables

No	Path	SLF	t-value	t-table	Significance	Summary
1	Compensation → <i>Turnover Intention</i>	- 0,373	- 7,121	1,96	Significant	There is sufficient evidence that compensation has a direct negative influence on turnover intention
2	Career Development → <i>Turnover Intention</i>	- 0,145	- 2,837	1,96	Significant	There is sufficient evidence that career development has a direct negative influence on turnover intention

3	Compensation → <i>Employee Engagement</i>	0,356	5,543	1,96	Significant	There is sufficient evidence that compensation has a direct positive influence on employee engagement
4	Career Development → <i>Employee Engagement</i>	0,485	6,936	1,96	Significant	There is sufficient evidence that career development has a direct positive influence on employee engagement
5	<i>Employee Engagement</i> → <i>Turnover Intention</i>	-0,490	-7,087	1,96	Significant	There is sufficient evidence that employee engagement has a direct negative influence on turnover intention
6	Compensation → <i>Turnover Intention through employee engagement</i>	-0,174	-4,930	1,96	Significant	There is sufficient evidence that compensation has an indirect negative influence on turnover intention through employee engagement
7	Career Development → <i>Turnover Intention through employee engagement</i>	-0,238	-5,743	1,96	Significant	There is sufficient evidence that career development has an indirect negative influence on turnover intention through employee engagement

Source: Output LISREL 8.80

The structural equation of the causal relationship of each of the variables consisting of compensation (X1), career development (X2), employee engagement (X3) and turnover intention (Y). The data which were analyzed by using LISREL software can be seen from the structural model equation as follows:

Table 6. Structural Equations of Causal Relationships

Structural Equations				
EE = 0.356*K + 0.485*CD, Errorvar.= 0.418 , R ² = 0.582				
0.0642)	(0.0700)		(0.0740)	
5.543	6.936		5.642	
TI = - 0.490*EE - 0.373*K - 0.145*CD, Errorvar.= 0.188 , R ² = 0.812				
(0.0691)	(0.0523)	(0.0511)		(0.0306)
-7.087	-7.121	-2.837		

The coefficient of determination (R²) in the structural equation based on Lisrel 8.80 output can describe the number of variants of endogenous variables simultaneously by exogenous variables. Sarjono and Julianita (2014) explained that the high value of R² indicates the greater exogenous latent variable that can describe the endogenous latent variable. From table 6 above, the first structural equation shows that employee engagement variable can be described by compensation and career development variables by 58%. The second equation shows that the turnover intention variable can be described by employee engagement, compensation and career development,

variable by 81%, while the rest is explained by other variables which are not analyzed through this research.

Table 7. Direct Influence, Indirect Influence, and Total Influence

H	From	Through	To	Direct Influence	Indirect Influence	Total Influence
1	Compensation		Turnover Intention	-0,373	-	-0,373
2	Career Development		Turnover Intention	-0,145	-	-0,145
3	Compensation		Employee Engagement	0,356	-	0,356
4	Career Development		Employee Engagement	0,485	-	0,485
5	Employee Engagement		Turnover Intention	-0,490	-	-0,490
6	Compensation	Employee Engagement	Turnover Intention	-0,373	0,356*- 0,49 = - 0,17	-0,543
7	Career Development	Employee Engagement	Turnover Intention	-0,145	0,485*- 0,49 = - 0,24	-0,385

Table 8. Results of Analysis of Direct and Indirect Relationship

Total and Indirect Effects			
Total Effects of KSI on ETA			
	K	CD	
	-----	-----	
EE	0.356	0.485	
	(0.064)	(0.070)	
	5.543	6.936	
TI	-0.547	-0.382	
	(0.061)	(0.055)	
	-8.997	-6.938	
Indirect Effects of KSI on ETA			
	K	CD	
	-----	-----	
EE	- -	- -	
TI	-0.174	-0.238	
	(0.035)	(0.041)	
	-4.930	-5.743	
Total Effects of ETA on ETA			
	EE	TI	
	-----	-----	
EE	- -	- -	
TI	-0.490	- -	
	(0.069)		
	-7.087		

Discussion

Compensation has a significant negative influence on turnover intention. One of the reasons that employees leave their work is due to unsatisfactory compensation (Vos & Meganck, 2008). Hence, it can be interpreted that the better compensation provided by companies will reduce the occurrence of turnover intention. This result is strengthened by a research conducted by Juhdi, Pa, Milah, & Hansaram (2013) of 457 company employees in Malaysia. Moreover, Guan et al. (2015) found a significant negative influence between compensation and turnover intention of 654 company employees in China. Chen et al. (2013) in their research also found a significant negative influence between compensation and turnover intention. In addition, the same finding was also obtained from research conducted by Cao et al. (2013) that compensation has a significant negative influence on turnover intention of 356 company employees in China. Theron et al. (2014) conducting research on 153 academic staff in 13 educational institutions in South Africa found that there was a significant negative influence between compensation and turnover.

Career development has a significant negative influence on turnover intention. According to (Vos & Meganck, 2008), the employees leave their jobs for reasons of lack of career opportunities, whereas, by offering opportunities to develop careers can prevent employees from leaving the Company. Furthermore, Rhoades & Eisenberger in (Cao, Chen, & Song, 2013) add that if an organization or company cannot provide career development properly, then employees will resign from the company. Therefore, if the career development of employees is well managed, it will reduce the turnover intention of employees. This result is strengthened by a research conducted by Vos & Meganck (2008) on 1000 employees from 100 companies in Belgium. It was found that there was a significant negative influence between career development opportunity and turnover intention. A research conducted by Santhanam et al. (2015) found a significant negative influence between career growth opportunities and turnover intention of 236 Frontline employees in 3, 4 and 5 star hotels in South India. Similarly, Cao, Chen, & Song (2013) in their research found that there was a negative influence between development & career opportunity on turnover intention of 356 company employees in China. Then, a research conducted by Chang, Chaou & Cheng (2007) found that if career needs were not matched with a development program it would increase the turnover of 431 sisters in Taiwan. In addition, a research conducted by Shuck et al. (2014) found that career development had a significant negative influence on turnover intention of 207 employees working in health care. Also, a research conducted by Langford (2009) on his journal found that there was significant negative influence between career opportunities and turnover intention.

Compensation has a significant positive influence on employee engagement. It means that if the company provides satisfactory compensation in accordance with employee expectations, it will increase the employee engagement. This result is strengthened by a research conducted by Ravikumar (2013) that compensation has a significant positive influence on the employee engagement of 441 Micro, Small and Medium Enterprises (MSMEs) employees in India. Similarly, the findings of a research conducted by Mohd, Shah & Zailan (2016) prove that compensation has a significant positive influence on employee engagement of 250 employees of telecommunications companies in Klang Valley. Moreover, a research conducted by Azoury et al. (2013) showed that there was a significant positive influence between compensation and employee engagement on 60 employees working for family and non-family companies. In addition, Sharma & Krishnan (2012) also proved their research result that there was a significant positive influence

between compensation and employee engagement on 93 employees of multinational companies in India.

Career development has a significant positive influence on employee engagement. If the employees are given the opportunity to develop their careers, it will increase the employee engagement. It means that if the career development of employees is well managed, it will increase employee engagement. This result is strengthened by a research conducted by Alias et al. (2016) which proves that employee career development has a significant positive influence on employee engagement. Moreover, a research conducted by Anitha (2014) found that there was a significant positive influence between career development and employee engagement on 383 company employees in Combatore District. In addition, a research conducted by Tladinyane & Merwe (2016) found that there was a significant positive influence between career adaptability and employee engagement on 131 insurance employees in South Africa.

Employee engagement has a significant negative influence on turnover intention. It means that the better employee engagement will reduce the turnover intention of the employees. This result is strengthened by research conducted by Alarcon & Edwards (2011) with 212 students who works part-time at Midwestern University found that Engagement (Vigor, Dedication, Absorption) significantly negatively influences turnover intention. Brunetto et al., (2012) found that employee engagement has a significant negative influence on turnover intention on 193 police officers in Australia. Research by Collini et al. (2015) found that there was a significant negative influence between employee engagement and turnover intention in a case study of 5443 employees from 10 hospitals in US. Shuck et al. (2014) found that employee engagement has a significant negative influence on turnover intention of 207 employees who work in health care.

Compensation has a significant negative influence on turnover intention mediated by employee engagement. Therefore, it can be interpreted that the better the compensation provided by the company to its employees, it can increase employee engagement and have implications for decreasing turnover intention. This result is strengthened by a research conducted by Alfes et al. (2013) with a sample of 297 employees in the UK found that employee engagement partially mediated the influence between perceived HRM practiced, specifically compensation and turnover intention. Similarly, in a research conducted by Juhdi et al. (2013) proved that organizational engagement partially mediated the influence of HR practice, especially compensation on turnover intention. Moreover, research conducted by Shahpouri et al. (2016) that work engagement partially mediated the influence (negative) between job resources, especially salary and turnover intention. In addition, It is also strengthened by research conducted by Memon et al. (2017) found that work engagement partially mediated the influence (negative) between pay satisfaction and turnover intention.

Career development has a significant negative influence on turnover intention mediated by employee engagement. It means that if the company provides good career development to its employees, it will have implications for increasing employee engagement and can reduce the turnover intention of employees. This result is strengthened by research conducted by Alfes et al. (2013) in a sample of 297 employees in the UK found that employee engagement mediated the influence between perceived HRM practiced specifically career development and turnover intention. Similarly, Juhdi et al. (2013) proved that organizational engagement partially mediated positively

between HR practices, specifically career management as part of career development and turnover intention. In addition, research conducted by Kumar et al. (2018) with 5088 respondents in the service industry found that there was a negative influence between organizational support for development (career development) and turnover intention partially mediated by work engagement. Memon & Salleh (2016) conducted a research and found that work engagement partially mediated the influence (negative) between satisfaction training as part of career development and turnover intention. Moreover, Shahpouri et al. (2016) in their research found that work engagement mediates the influence (negative) between job resources, especially career opportunities and turnover intention. Then, this is also strengthened by research conducted by Schaufeli & Bakker (2004) with a sample of 1698 from employees of insurance companies, health services, pension fund companies and home-care institutions. The result of their research is engagement partially mediated the influence (negative) between job resources, especially career development and turnover intention.

CONCLUSIONS

From the results of evaluations and discussions above, therefore, it can be concluded that: 1) Compensation has a direct negative influence on turnover intention, 2) Career development has a direct negative influence on turnover intention, 3) Compensation has a direct positive influence on employee engagement, 4) Career development has a direct positive influence on employee engagement, 5) Employee engagement has a direct negative influence on turnover intention, 6) Compensation has an indirect negative influence on turnover intention through employee engagement, 7) Career development has an indirect negative influence on turnover intention through employee engagement.

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