

THE EFFECT OF COMPENSATION SATISFACTION, SUPERVISOR SUPPORT ON TURNOVER INTENTION MEDIATED BY WORK ENGAGEMENT IN THE MANUFACTURING INDUSTRY IN BANTEN PROVINCE

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ABSTRACT

This study aims to determine and analyze the effect of compensation satisfaction, supervisor support on turnover intention mediated by work engagement. The research method used in this study is a quantitative method. The data analysis tool uses SMART PLS with the SPSS IBM 20.r program. The results of the study show that compensation satisfaction and supervisor support have no effect on turnover intention, while work engagement has an influence. Furthermore, work engagement is able to mediate compensation satisfaction and supervisor support on employee turnover intention in the Banten Province manufacturing industry.

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1. INTRODUCTION

Globalization and the era of disruption have made major changes to human resources, with being required to improve quality in order to progress and develop. Excellent human resources with the ability to think creatively and innovatively can assist the organization in achieving its goals. For this reason, awareness of the company's organization is needed to be able to maintain the intellectual assets of Human Resources.

Banten Province is a province located in a strategic area located at the entrance of Java from Sumatra and close to the capital. When viewed from the livelihoods of the community include various sectors including the industrial sector. The manufacturing industry is one of the sectors that makes a high contribution to economic growth and supports the national economy. The following is the economic growth rate of Banten province:

**Table 1. Banten Province Economic Growth Rate
2019-2021 period**

Regency/City PDRB	Year		
	2019	2020	2021
Pandeglang Regency	4.75	-0.54	3.00
Lebak Regency	5.55	-0.88	3.08
Tangerang Regency	5.58	-3.70	4.63
Serang District	5.01	-1.96	3.65
Tangerang City	4.05	-6.92	3.70
Cilegon City	5.32	-0.88	4.81
Serang City	6.20	-1.29	3.80
South Tangerang City	7.40	-1.01	4.77
Amount	5.32	-3.08	4.16

Source: BPS 2022

From table 1 above, it can be seen that economic growth in Banten Province in 2019-2021 fluctuated, seen from 2019 to 2020 it experienced a sharp decline, this was influenced by *The Effect Of Compensation Satisfaction, Supervisor Support On Turnover Intention Mediated By Work Engagement In The Manufacturing Industry In Banten Province - Andari, Nafiudin*

the circumstances at that time affected by the COVID-19 pandemic. However, in 2020 there has been an increase, but economic growth has not yet reached the target. In addition, the decline in the company's work productivity is also influenced by the high level of employee turnover intention which can affect the organization in terms of productivity, product performance and profitability (Bennett et al., 2017).

Tett and Meyer (1993) in (A'yuninnisa & Saptoto, 2015) say that turnover intention is the desire of employees to leave the organization consciously and intentionally. Turnover intention can be influenced by several factors including compensation satisfaction, compensation satisfaction felt by employees will affect motivation and involvement at work, and, being more satisfied with their work so that the tendency to quit or leave the organization is low. (Che Ahmat et al., 2019). Without adequate compensation, existing employees tend to leave the organization and the organization will have difficulty in replacement, especially in recruiting.

In addition, the survival of an organization is determined by several factors, one of which is support which has a major contribution to the attitudes or behavior of employees in the organization. Yadav, M., & Rangnekar (2015). Supervisor support is also part of the employee's work environment that can help retain or cause them to stop working (Gordon et al., 2019). Work involvement can be increased through supervisor support, which will then be able to assist the organization in reducing employee turnover intentions. (Pattnaik, S. C., & Panda, 2020).

This research was conducted at a Manufacturing Company in Banten Province with a sample of 115 respondents aged 25-40 years. Based on the above background, the writer wants to examine the effect of compensation satisfaction, supervisor support on employee turnover intention of Banten Province Manufacturing Company with work engagement as a mediating variable.

2. METHOD

According to the title of the study, and according to the level of explanation (level of explanation) as stated (Sugiyono, 2019) that this research includes associative research, namely research carried out with the aim of knowing the relationship or influence of 2 (two) or more variables, namely the influence of independent variables on variables bound by using the intervening variable. The type of research carried out is the quantitative method which is a form of scientific research by examining one problem from a phenomenon which then looks at the relationship or influence between variables in a defined problem. The research method uses hypothesis testing, which is a form of temporary hypothesis or conjecture that will be tested for truth so as to produce decision making based on several data analyzes (Rully & Yaniawati, 2017).

In this study, the data analysis method used was Structural Equation Modeling (SEM) with SMART PLS software. The model suitability test is carried out with the aim of knowing whether the proposed model is based on observational data that is in accordance with the theoretical model or the model fit index reference (Narimawati et al., 2020).

3. RELUST AND DISCUSSION

a. Measurement Model

Validity test

This validity test uses the standardized loading factor value between the construct and the latent variable, which can be seen from the standardized loading factor to describe the magnitude of the correlation between each measurement item (indicator) and its construct.

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The requirements for a model are declared valid if the loading value is above 0.5 (Ghozali, 2014). Meanwhile, to assess discriminant validity is to compare the value of the Square root of average variance extracted (AVE) of each construct with the correlation between the construct and other constructs in the model. If the value of the square root of AVE is higher than the value of the correlation between the constructs, then good discriminant validity is achieved. The recommended AVE value is greater than 0.5. The validity of each construct was tested with Average Variance Extracted (AVE), a construct with good validity because it was worth more than 0.50. Based on the loading factor on all of the question items meet the recommended value, so that the indicators used to measure the variables in this research are valid.

Reliability Test

According to (Ghozali & Fuad, 2014) Reliability test is a test carried out to determine the reliability of a measuring instrument in producing consistent data, by looking at the composite reliability value of the indicator block that measures the construct. If the value of composite reliability > 0.8, it can be said that the construct has high reliability or reliable and > 0.6 is said to be quite reliable. In PLS, the reliability test can also be strengthened with Cronbach's Alpha. Cronbach alpha is said to be good if 0.5 and is said to be sufficient if 0.3.

Table 2
Reliability test results

Variable	Cronbach's Alpha	Composite Reliability	Decision
Compensation Satisfaction	0.881	0.904	Reliable
Supervisor support	0.840	0.888	Reliable
Work engagement	0.821	0.875	Reliable
Turnover intention	0.908	0.929	Reliable

Source: Primary Data processed, 2022

Based on the results of the reliability test of each variable, namely compensation satisfaction, supervisor support, work engagement, turnover intention is declared reliable, Cronbach's alpha value on each variable 0.6 then the research instrument can be declared reliable (Ghozali & Ratmono, 2017).

b. Structural Model

Structural Model is used to see the relationship between variables, through the bootstrapping process. Testing of the structural model or inner model is done by looking at the R-Square value of the research model, which is the goodness-fit test of the model. Changes in the value of R-Square can be used to assess the effect of certain independent latent variables on the dependent latent variable whether it has a substantive effect.

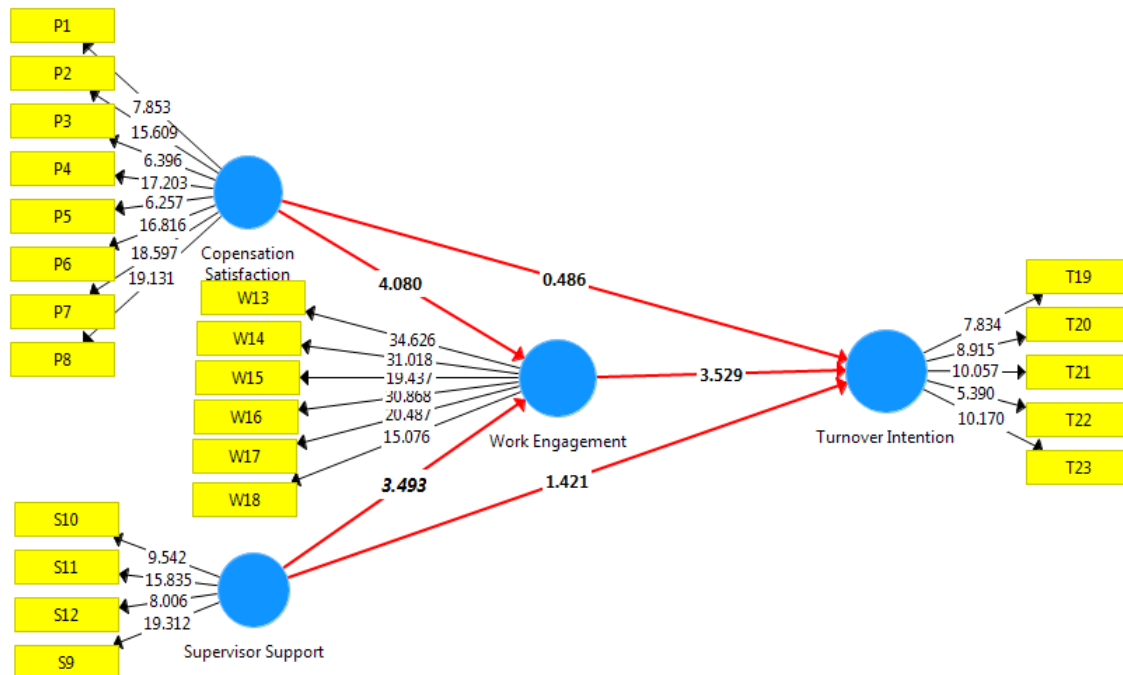
Table 3
R-Square Adjusted Value

	R Square	R Square Adjusted
Turnover Intention	0.139	0.116
Work Engagement	0.270	0.257

Source: Data Processing Results (2022)

Table 2 above shows the R-square value of the turnover intention variable of 0.139, meaning that the variability of turnover intention which can be explained by the compensation satisfaction, supervisor support and work engagement constructs is 27 percent. Furthermore, the R-Square value of the work engagement variable is 0.139, meaning that the variability of work engagement can be explained by the compensation satisfaction and supervisor support constructs of 13 percent. The higher the Rsquare value, the greater the ability of the independent variable to explain the dependent variable so that the better the structural equation.

c. Full model structural



Gambar 1. Gambar Full Mode

d. Hypothesis testing

Based on the fit model, the 7 hypotheses proposed in this study will be tested. Hypothesis testing in PLS is based on the values contained in the structural model analysis, looking at the significance of the effect of exogenous variables (Compensation Satisfaction, Supervisor Support, and Work Engagement) on endogenous variables (Turnover Intention) by looking at the parameter coefficient values and statistical significance values. The path coefficient significance level is obtained from the t statistic value and the standardized path coefficient value. The following is the value of the parameter coefficients in table 4:

Table 4. Hypothesis Test Results

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Compensation Satisfaction -> Work Engagement	0.378	0.397	0.093	4.080	0.000

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Supervisor Support -> Work Engagement	0.260	0.266	0.075	3.493	0.001
Compensation Satisfaction -> Turnover Intention	-0.061	-0.058	0.126	0.486	0.627
Supervisor Support -> Turnover Intention	0.204	0.213	0.144	1.421	0.156
Work Engagement -> Turnover Intention	-0.371	-0.394	0.105	3.529	0.000
Compensation Satisfaction -> Work Engagement -> Turnover Intention	-0.140	-0.157	0.061	2.293	0.022
Supervisor Support -> Work Engagement -> Turnover Intention	-0.096	-0.105	0.044	2.171	0.030

Source: Results of data processing (2022)

The results of the first hypothesis test show that the p-value on the effect of compensation satisfaction on work engagement is 0.000. This figure is smaller than 0.05, meaning that compensation satisfaction has a significant positive effect on work engagement. This explains that when compensation is implemented properly and employee compensation satisfaction is high, it will increase employee work involvement in the Banten Province manufacturing industry. This study supports research conducted (Juhdi et al., 2013) which says that HR practices consisting of recruitment, selection, placement, compensation, performance appraisal and career management have their own impact in terms of strength in creating a sense of engagement. However, this study is not in line with research conducted by (Memon et al., 2021) which found that compensation satisfaction does not affect employee job involvement.

The results of the second hypothesis test show that the p-value on the influence of supervisor support on work engagement is 0.001. This figure is smaller than 0.005, so it is concluded that there is a significant influence of supervisor support on employee work engagement in the manufacturing industry of Banten Province. This means that the involvement of real attention or assistance by supervisors intended to improve employee welfare can increase employee involvement in their work. The results of this study are in line with (Ling Suan, Choo, 2016) who found that Supervisor Support has an effect on employee work engagement in Malaysia.

The results of the third hypothesis test show a p-value of 0.627. This figure is greater than 0.005, which means that there is no significant influence between compensation satisfaction and turnover intention. This study contradicts the research conducted (Che Ahmat et al., 2019) which says that employee turnover intention is influenced by employee satisfaction with compensation.

The results of the fourth hypothesis test show that the P-value on the influence of supervisor support on turnover intention is 0.156, which is greater than 0.005, so it can be concluded that there is no significant effect of supervisor support on employee turnover intention in the manufacturing industry of Banten Province. The results of this study are in line with research (Astuti & Helmi, 2021) which showed that they did not find a direct influence between perceptions of supervisor support and employee turnover intentions.

The results of the fifth hypothesis test show that the p-value on the effect of work engagement on turnover intention is 0.000 with an estimated value of -0.371 so that it can be concluded that there is a significant effect of work engagement on employee turnover intention in the manufacturing industry of Banten Province. This means that if employee work engagement increases, turnover intention will decrease. The results of this study are in line with (Ling Suan, Choo, 2016) who found that Supervisor Support has an effect on employee work engagement in Malaysia. Furthermore, the results of the sixth hypothesis test show that the p-value on the effect of compensation satisfaction on Turnover Intention mediated by Work Engagement, is 0.022 <0.05 with an estimated value of -0.140 which indicates that if compensation satisfaction is high it will increase Work Engagement which then results in Low Turnover Intention.

The results of the seventh hypothesis test show that the p-value on the influence of supervisor support on Turnover Intention mediated by Work Engagement, is 0.030 <0.05 with an estimated value of -0.096 which indicates that if supervisor support is high it will increase Work Engagement which then results in Turnover. Low intention.

4. CONCLUSION

The results of the study on four research variables found that compensation satisfaction, supervisor support had an effect on work engagement, but had no effect on employees' desire to leave the organization. Meanwhile, work engagement has an influence on turnover intention. Furthermore, the results show that employee work involvement is able to mediate compensation satisfaction and Supervisor Support on Turnover Intention of Manufacturing Industry employees in Banten Province. For further research, it is recommended to examine other factors that influence turnover intention.

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