

The Effect of Compensation, Career Development, and Work-Life Balance on Employee Loyalty With Job Satisfaction As An Intervening Variable

Reners, Pahlawansjah Harahap, Rini Sugiarti
Universitas Semarang, Indonesia
Email: renerss88@gmail.com

*Correspondence: renerss88@gmail.com

ABSTRACT

Keywords:

compensation, career development, work-life balance, job satisfaction, employee loyalty

This study aims to examine and analyze whether compensation, career development, and work-life balance variables influence employee loyalty at Intan Husada Hospital in Garut through the variable of job satisfaction. Data collection in this research used a questionnaire with a total sample of 118 healthcare professionals at Intan Husada Hospital in Garut. This research employs a quantitative approach with the Partial Least Squares Structural Equation Modeling (SEM) analysis method. Exogenous variables in this study are compensation, career development, and work-life balance, the mediating variable used is job satisfaction, while the endogenous variable used is employee loyalty. The direct effect testing results of this study indicate that the compensation and career development variables have a positive but not significant impact on the job satisfaction variable, while the work-life balance variable has a significant positive impact on the job satisfaction variable. Furthermore, the compensation, career development, and work-life balance variables have a positive but not significant impact on the employee loyalty variable, while the job satisfaction variable has a significant positive impact on the employee loyalty variable. The testing of the indirect effect in this study shows that job satisfaction does not play a mediating role in influencing compensation, career development, and work-life balance on employee loyalty.



Introduction

Employee loyalty is crucial in the era of globalization, where human resource management is important to obtain an efficient and loyal workforce (Sumaryathi & Dewi, 2020). In Indonesia's rapidly growing hospital industry, the growing number of hospitals increases the need for health workers, while information technology accelerates competition and human resource acquisition. RS Intan Husada Garut, as a private hospital, is committed to providing the best health services with the support of a diverse medical team and health workers (Motto: "We Give the Best").

In carrying out its services to all patients, Intan Husada Hospital experiences problems related to employee loyalty, especially health workers such as nurses, pharmacy staff, nutrition staff, laboratory staff, and radiology staff who are less loyal as shown by a total of 45 employees who have resigned from 2021 to June 2023 as shown in the table below.

Table 1 Data on the Number of Less Loyal Health Workers

Health Workers	Year			Total
	2021	2022	2023	
Midwife	7	2	1	10
Pharmacy	8	3	2	13
Nutrient	1			1
Laboratory	3		1	4
Nurse	9	4	3	16
Radiology			1	1
TOTAL	28	9	8	45

Data Source: Processed from Data from RS Intan Husada, June 2023

From the results of several previous studies on employee loyalty, there are several gaps in research results as follows:

Table 2 Gap Research on Employee Loyalty

No	Relationships Between Variables	INFLUENTIAL	NO EFFECT
1	The Effect of Compensation on Employee Loyalty	(Basem, Norawati, Kamal, Munika, & Hastuti, 2022) ; (Marhalinda & Supiandini, 2022); (Nurcahyanti & Kuswandani, 2021); (Rizana, 2020)	Muhammad Nasir, Jeni Kamase, Asdar Djamareng, Sukmawati (2022); (Wardi, 2021); (Utami & Dwiatmadja, 2020)
2	The Effect of Career Development on Employee Loyalty	(Syati Manaharawan Siregar, Ainun, & Putra, 2022)	(Yudha, Wardhani, & Fajariah, 2022) (Lumiu, Pio, & Tatimu, 2019)
3	The Effect of <i>Work Life Balance</i> on Employee Loyalty	(Edwin, Elvinawaty, & Putra, 2019) (Rahmansyah, Utami, Prasetya, & Malang, 2023) (Ma'ruf, 2021) (Marhalinda & Supiandini, 2022) (Basem et al., 2022)	(Rizky Sugiyatmo & Kristanto, 2022)

Data Source: Processed

Based on the background of the problem and some gaps in the results of previous research, the researcher proposed the variable of job satisfaction as an intervening variable that will solve the gap problem of research results of the influence of variables of compensation, career development, and work life balance on employee loyalty as based on the results of research (Labrague et al., 2018) showed that job satisfaction is one of the factors that determine an employee to Stay in the organization. The study suggests that organizations should take appropriate actions to increase job satisfaction.

LITERATURE REVIEW

The relationship between employees and the organization is colored by elements of social exchange, where rewards, sacrifices, and benefits play a crucial role. Social exchange theory, which emphasizes psychological interaction between individuals, describes social relationships as the process of mutual feedback to achieve balance, harmony, and harmony (Blau & Michaeli, 2018).

The social exchange theory approach views relationships as a process of mutual exchange in everyday life. The sustainability of human social relations depends on respect and responsiveness to the care that has been built, involving contributions of thought, energy, and others (Sunyoto & Saksono, 2022).

In the context of employee loyalty, social exchange theory identifies key factors, such as compensation, career development, and work-life balance. Fair and adequate compensation can increase job satisfaction and, directly, affect employee loyalty. Career development is also a driver of job satisfaction and loyalty. Work-life balance also has a significant impact on job satisfaction and employee loyalty.

Within the framework of social exchange theory, job satisfaction acts as an intervening variable, mediating the relationship between factors such as compensation and work-life balance and employee loyalty. A number of studies support the role of job satisfaction as a mediator, showing that companies can increase employee loyalty by understanding and fulfilling these factors, as well as ensuring satisfaction with the rewards given and balance between work and personal life.

Fair and adequate compensation has a key role in increasing employee job satisfaction (Nurchayanti & Kuswandani, 2021). Increased compensation not only has a financial impact but also positively affects job satisfaction, while a decrease in compensation has the potential to reduce job satisfaction (Mellasanti & Ingsih, 2016). Studies show that a good compensation system not only meets physical needs and safety but also increases overall job satisfaction (Basem et al., 2022). Compensation, such as salaries, incentives, and insurance, has a significant positive impact on job satisfaction, building a positive cycle of motivation and positive contributions from employees (Ayuningtias, Syahputra, & Prasetyo, 2017).

H1: Compensation affects job satisfaction

Career development in organizations plays an important role in increasing employee job satisfaction (Siallagan, 2020). This is related to individuals' positive views on career advancement in the workplace that contribute to job satisfaction (Nurchayanti & Kuswandani, 2021). Providing career development opportunities can create a motivational work climate and more engaged employees (Suryani, 2020). In the context of social exchange theory, career development is not only an organization's investment in employees, but also a mutually beneficial exchange that creates a sustainable work environment (Lisdiani & Ngatno, 2017).

H2: Career development affects job satisfaction

The effect of Work Life Balance on Job Satisfaction has been investigated by several researchers. Work-life balance involves a balance of time, engagement, and satisfaction between work and personal life. Research shows that a good work-life balance can increase job satisfaction and employee loyalty (Basem et al., 2022). Social exchange theory explains that organizational support towards achieving this balance can increase job satisfaction and create a positive work environment (Prasetyo & Rismawati, 2018). Within this framework, employees who feel a sense of balance tend to be more satisfied, motivated, and committed to their work (Maharani, Afifah, & Lubis, 2023).

H3: Work-life balance affects job satisfaction

Compensation, which includes earnings and rewards from the organization, has a significant influence on employee loyalty. Studies show that high compensation levels increase loyalty, while low compensation has the potential to reduce employee loyalty (Marhalinda & Supriandini, 2022). Social exchange theory highlights that employees' perceptions of fairness and suitability of compensation can influence the level of

commitment and desire to remain in the organization (Harden, Boakye, & Ryan, 2018). The relationship between fair compensation and employee loyalty is explained as a reciprocal relationship, where employee contributions are expected to be balanced with rewards and recognition from the organization (El-Deeb, Ismail, & El Banna, 2023).

H4: Compensation affects employee loyalty

Career development has a positive impact on employee loyalty. Studies show that when organizations provide career development opportunities and support, employees tend to feel attached and loyal (Utami & Dwiatmadja, 2020). Investing in career development can increase employee commitment and loyalty, reinforcing their value to the organization (Harden et al., 2018). In the context of social exchange theory, clear learning, development, and career path opportunities are considered as 'rewards' that can increase employee loyalty.

H5: Career development affects employee loyalty

Work-life balance, as a work-life balance, has a significant impact on employee loyalty. Studies show that employees who feel balanced tend to be more loyal because they feel valued and understood by the organization (Mauludi & Kustini, 2022). Workload imbalances, which are part of work-life balance, can threaten employee commitment and increase the intention to quit work (Harden et al., 2018). Work-life balance was also found to be directly related to loyalty through positive experiences and affective commitment, reinforcing the importance of balance between work and personal life.

H6: Work-life balance affects employee loyalty

Job satisfaction, the evaluation of employees' feelings towards work, has a positive influence on employee loyalty. Research shows that satisfied employees tend to increase their loyalty to achieve company goals (Rizana, 2020). Social exchange theory highlights that employees who feel satisfied with their jobs tend to be more committed and loyal because they feel valued and get rewards equal to or more than they give to the organization. The study of (Abdullahi et al., 2023) corroborates the relationship between job satisfaction and employee loyalty, where rewards and good treatment from organizations can increase job satisfaction and build loyalty, reducing employee turnover.

H7: Job satisfaction affects employee loyalty

Compensation, including remuneration for work, has a positive impact on employee loyalty through job satisfaction mechanisms. Increased compensation contributes to job satisfaction, which then increases the level of loyalty to the organization (Nurchayanti & Kuswandani, 2021). Types of compensation, such as salary, bonuses, and benefits, play an important role in increasing job satisfaction, creating a strong sense of loyalty among employees (Indranata & Safaria, 2023).

H8: Compensation affects employee loyalty through job satisfaction

Career development, by providing a vision of career opportunities and long-term commitment, increases employee job satisfaction. Success in achieving career goals strengthens employees' emotional bonds and loyalty to the organization. Perception of career path, including recognition, can reduce stress and increase job satisfaction, strengthening employee attachment to the organization (Nurchayanti & Kuswandani, 2021).

H9: Career development affects employee loyalty through job satisfaction

Work-life balance has great potential to increase employee job satisfaction, as it allows them to live their work and personal life tasks without conflict. High job satisfaction can strengthen employee loyalty to the organization, because they value a

work environment that supports work-life balance (Basem et al., 2022). Within the framework of social exchange theory, work-life balance makes employees feel valued by the company, increasing motivation and commitment to work (Maharani et al., 2023). Employees who feel a balance between work and personal life tend to be more satisfied and loyal to the organization, appreciating the company's attention to their needs (Mauludi & Kustini, 2022).

H10: Work-life balance affects employee loyalty through job satisfaction

Based on the hypotheses proposed, the following is the theoretical framework of this study:

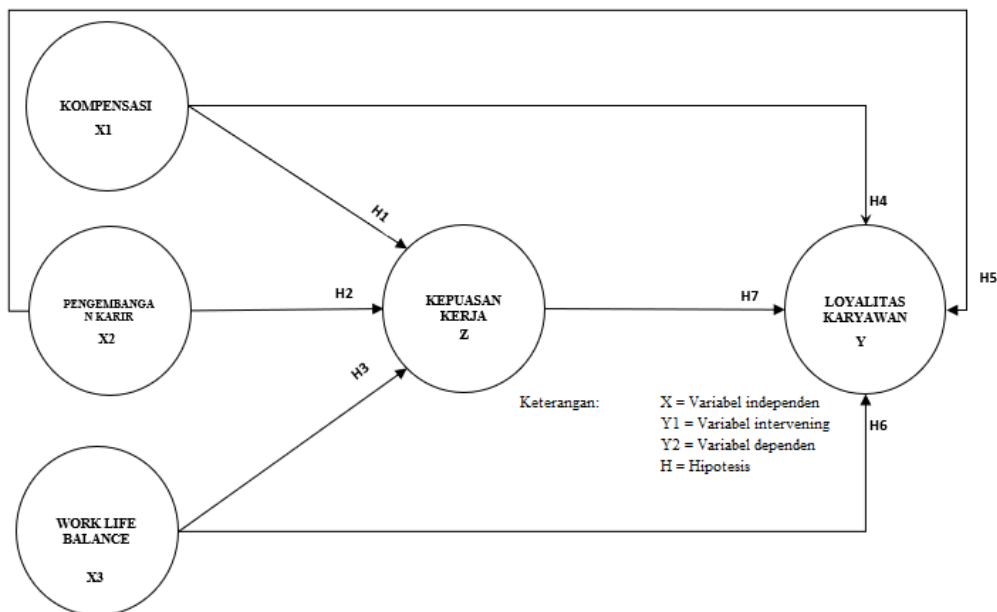


Figure 1
Theoretical Framework of Thought
 Data Source: Processed

Research Methods

Population and Sample

The population in this study was 161 employees of health workers working at Intan Husada Hospital. Determination of the number of samples with the Slovin formula with a margin of error of 5% so that the number of samples obtained with a total of 118 people with *simple random sampling*.

Data Type, Data Source, Data Collection Method

In this study, the type of data used is primary data, namely data derived from employees of health workers at Intan Husada Garut Hospital which was studied in this study. The data collection method used in this study was through a questionnaire in the form of a *Google Form link* which was distributed to all research respondents.

Data Measurement Scale

Data measurement techniques for each respondent's answer by making 4 scales of answer choices, namely Score 4: Strongly Agree, Score 3: Agree, Score 2: Disagree, Score 1: Strongly Disagree.

Variable Operational Definition

In this study there are three types of research variables, namely independent variables, namely compensation, career development, and *work-life balance*, while the

dependent variable is employee loyalty, then the intervening variable in this study is job satisfaction. The following are operational definitions for each variable and their respective indicators according to the table below:

Table 3 Variable Operational Definition

No.	Variable	Operational Definition	Indicators
1	Compensation	All income is in the form of money or direct or indirect goods received by employees in return for services that have been provided to the company. (Marhalinda & Supiandini, 2022)	<ol style="list-style-type: none"> 1. Decent salary 2. Annual salary increase based on performance 3. Health benefits beyond useful salaries 4. Bonus suitability
2	Career Development	An overview of future career paths within the company and indicates the long-term importance of the company to its employees or employees. (Siregar et. al., 2022)	<ol style="list-style-type: none"> 1. Employees feel a career path in a public company 2. The company supports continuous education and training. 3. Employees participate in education and training. 4. Recognition of work achievements.
3	Work Life Balance	Balance between one's roles and responsibilities in work and personal life. (Basem et al., 2022)	<ol style="list-style-type: none"> 1. Employees feel the number of working hours is balanced 2. Employees feel the workload is still within tolerance limits 3. Employees do not experience difficulties if they want to take leave rights 4. Employees have quality time with family.
4	Job Satisfaction	Employees' feelings of satisfaction with the job itself, work situation, leadership, and fellow co-workers. (Rizana, 2020)	<ol style="list-style-type: none"> 1. The employee is satisfied with the current job. 2. Employees are satisfied with working relationships with fellow colleagues. 3. Employees are satisfied with the currently received compensation system. 4. Employees are satisfied with the current career development system. 5. Satisfied employees current personal and work life balance

5	Employee loyalty	The employee's level of desire and willingness to remain within the company, contribute actively, and maintain a long-term relationship with the company. (Wardi, 2021)	<ol style="list-style-type: none"> 1. Employees plan to work within the company for a long period of time. 2. Employees feel a bond with the company. 3. Employees have a sense of pride in being part of the company. 4. Employees will promote the company to others. 5. Employees have confidence that the company will be successful in the future.
---	------------------	---	--

Data Source: Processed

Data Analysis Methods

In this study, data processing used the SMART PLS application version 3.0 for path analysis with intervening variables. PLS analysis was chosen because it is powerful and suitable for weak data or small sample sizes. Proposed by Ghozali (2021), PLS analysis does not require assumptions such as multivariate normal distribution and multicollinearity problems in regression OLS.

Results and Discussion

Answer Index Analysis

From a total of 118 respondents who have given the answer, researchers made several criteria to produce an index analysis of respondents' answers to the variables in this study are as follows:

Table 4
Compensation Variable Answer Index Analysis

Indicator Questions	1	2	3	4	%Fxs	% Index	Category
Health workers feel that the current salary received is in accordance with the job	5,08%	55,08%	35,59%	4,24%	238,98%	59,75%	Keep
Health workers feel that the bonuses obtained are in accordance with the contribution	2,54%	25,42%	60,17%	11,86%	281,36%	70,34%	Tall
Average					260,17%	65,04%	Keep

Data Source: Processed

From table 4 above, it can be seen that the average index score of respondents' answers to compensation variables is 65.04 which is included in the medium category. This shows that according to respondents' answers, the compensation system at RSIH Garut is in the category of quite good.

The Effect of Compensation, Career Development, and Work-Life Balance on Employee Loyalty With Job Satisfaction As An Intervening Variable

Table 5 Career Development Variable Answer Index Analysis

Indicator Questions	1	2	3	4	%Fxs	% Index	Category
Health workers feel the career path is open	3,39%	14,41%	67,80%	14,41%	293,22%	73,31%	Tall
Health workers feel the company supports employee education and training	0,85%	6,78%	63,56%	28,81%	320,34%	80,08%	Tall
Employees participated in education and training in the past year	3,39%	10,17%	61,86%	24,58%	307,63%	76,91%	Tall
Employee work achievements always receive recognition from the company	7,63%	20,34%	55,08%	16,95%	281,36%	70,34%	Tall
Average					300,64%	75,16%	Tall

Data Source: Processed

From table 5 above, it can be seen that the average index score of respondents' answers to career development variables is 75.16 which is included in the high category. This shows that according to respondents' answers, the career development system at RSIH Garut is in the good category.

Table 6 Work Life Balance Variable Answer Index Analysis

Indicator Questions	1	2	3	4	%Fxs	% Index	Category
Health workers feel the number of working hours is balanced	5,08%	13,56%	72,03%	9,32%	285,59%	71,40%	Tall
Health workers feel that their workload is still within tolerance limits	0,85%	7,63%	77,12%	14,41%	305,08%	76,27%	Tall
Health workers find it easy to exercise their leave entitlement	0,85%	9,32%	63,56%	26,27%	315,25%	78,81%	Tall
Health workers feel they have time with their families	0,85%	8,47%	63,56%	27,12%	316,95%	79,24%	Tall
Average					305,72%	76,43%	Tall

Data Source: Processed

From table 6 above, it can be seen that the average index score of respondents' answers to the *work life balance variable* is 76.43 which is included in the high category. This shows that according to respondents' answers, the work-life balance system at RSIH Garut is in the good category.

Table 7
Job Satisfaction Variable Answer Index Analysis

Indicator Questions	1	2	3	4	%Fxs	% Index	Category
Health workers are satisfied with their work	0,00%	11,86%	73,73%	14,41%	302,54%	75,64%	Tall
Health workers are satisfied with their relationships	1,69%	2,54%	63,56%	32,20%	326,27%	81,57%	Tall
Health workers are satisfied with the career development system	0,00%	11,86%	71,19%	16,95%	305,08%	76,27%	Tall
Health workers are satisfied with their work-life balance	0,85%	6,78%	69,49%	22,88%	314,41%	78,60%	Tall
Average					312,08%	78,02%	Tall

Data Source: Processed

From table 7 above, it can be seen that the average index score of respondents' answers to job satisfaction variables is 78.02 which is included in the high category. This shows that according to respondents' answers, job satisfaction at RSIH Garut is in the good category.

Table 8
Analysis of Employee Loyalty Variable Answer Index

Indicator Questions	1	2	3	4	%Fxs	% Index	Category
Health workers plan to work in the company for a long time	1,69%	28,81%	63,56%	5,93%	273,73%	68,43%	Tall
Healthcare workers feel proud to be part of the company	0,00%	1,69%	58,47%	39,83%	338,14%	84,53%	Tall
Healthcare workers promote the company to others	0,85%	2,54%	54,24%	42,37%	338,14%	84,53%	Tall
Healthcare professionals are confident that the company will be successful	1,69%	0,00%	37,29%	61,02%	357,63%	89,41%	Tall
Average					326,91%	81,73%	Tall

Data Source: Processed

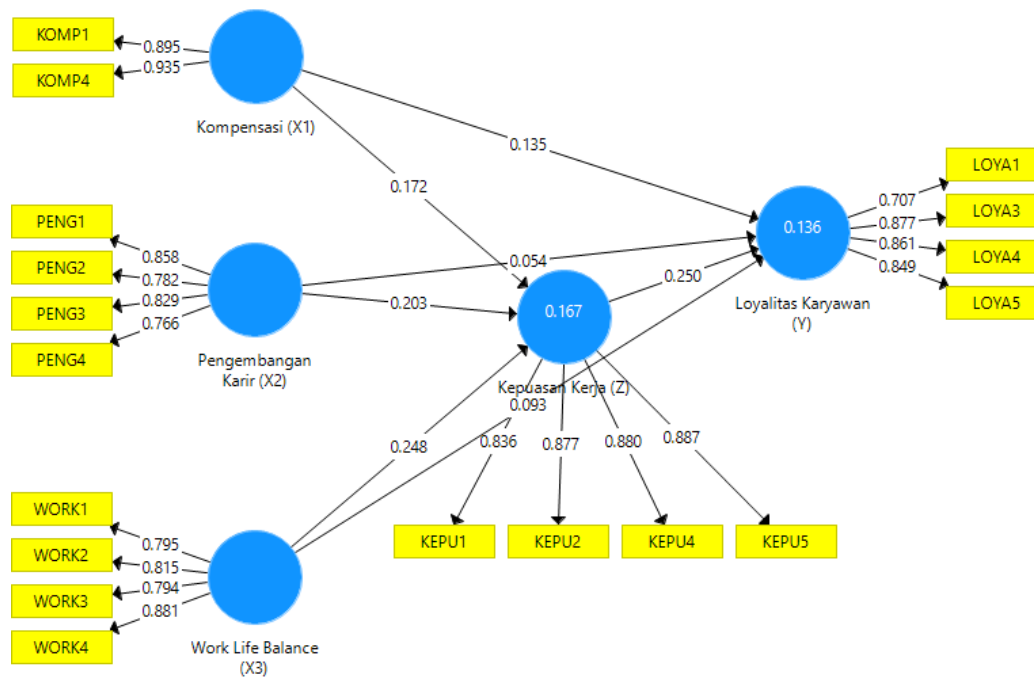
From table 8 above, it can be seen that the average index score of respondents' answers to employee loyalty variables is 81.73 which is included in the high category.

This shows that according to respondents' answers, employee loyalty at RSIH Garut is in the good category.

Outer Model

Outer model testing is carried out using the PLS algorithm analysis method on SmartPLS which processes responses from respondents that have been tabulated in CSV file format. An illustration of the model after undergoing the PLS Algorithm analysis test can be found in the following figure:

Figure 2
Results of Outer Model Analysis



Data Source: Processed

Based on figure 2 above, it is known that the results of the loading factor measurement are known as follows: the compensation variable is measured by two valid measurement indicators with an outer loading of 0.895 – 0.935 which means that both indicators are valid (more than 0.700) reflecting compensation. The career development variable is measured by four valid measurement indicators with an outer loading of 0.766 – 0.858 which means that all four indicators are valid (more than 0.700) reflecting career development. The Wok Life Balance variable is measured by four valid measurement indicators with an outer loading of 0.794 – 0.881 which means that all four indicators are valid (more than 0.700) reflecting work life balance. The Job Satisfaction variable is measured by four valid measurement indicators with an outer loading of 0.836 – 0.887 which means that all four indicators are valid (more than 0.700) reflecting job satisfaction. The Employee Loyalty variable is measured by four valid measurement indicators with an outer loading of 0.707 – 0.877 which means that all four indicators are valid (more than 0.700) reflecting employee loyalty.

From all outer loading tests on all indicators of each variable X1, X2, X3, Z, and Y, it was concluded that the outer loading value was greater than 0.70 which is in accordance with the criteria according to (Joseph F Hair, Harrison, & Risher, 2018)so that it is said to be valid.

Table 9
Construct Reliability & Validity Test Results

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Job satisfaction (Z)	0.893	0.894	0.926	0.757
Compensation (X1)	0.808	0.838	0.912	0.837
Employee loyalty (Y)	0.842	0.852	0.895	0.683
Career development (X2)	0.827	0.848	0.884	0.656
Work life balance (X3)	0.842	0.873	0.893	0.676

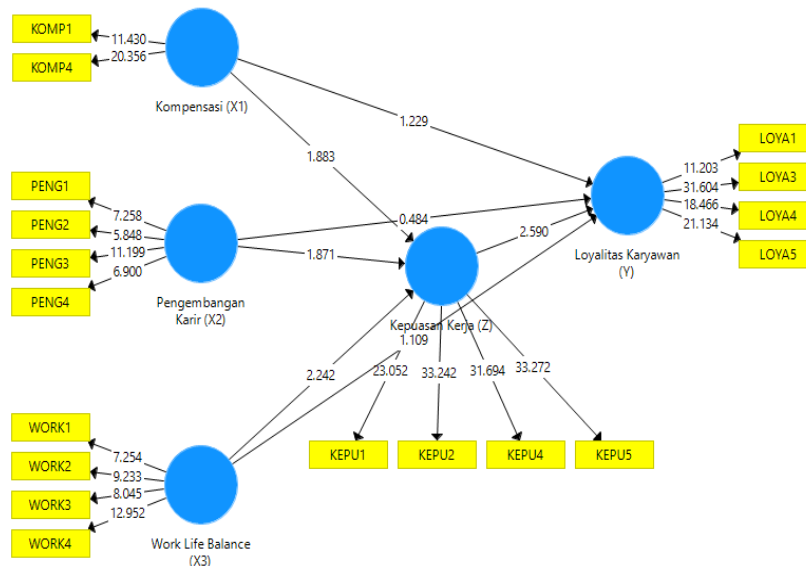
Data Source: Processed

Based on Table 9 it is known that all variables have Composite Reliability, Cronbach's Alpha, and rho_A values of more than (>) 0.70, while for Average Variance Extracted (AVE) values for all variables the value is more than (>) 0.50 (Joseph .F; Hair et al., 2021). So that all variables in this study are proven to be reliable and valid.

Inner Model

Structural analysis (*inner model*) in this study is divided into two types of tests, namely *direct effect tests* and *indirect effect tests through* mediation or intervening. The significance of the parameters is measured through the output of PLS analysis, including the original sample value, t statistic, and p value. If the original sample value is positive, it indicates a positive direction, while a negative value indicates a negative direction. The t statistic is used to assess significance, with a t value greater than 1.960 and a p value less than 0.050 indicating acceptance of the hypothesis, meaning the influence of exogenous constructs on endogenous constructs.

Figure 3
Inner Model Analysis Results



Data Source: Processed

Based on Figure 3 above, it is known that the results of the direct effect test are in accordance with the table below:

Table 10
Direct Effect Test Results

Relationships Between Variables	Original Sample	T Statistics	P Values	Conclusion
Compensation (X1) → Job Satisfaction (Z)	0.172	1.883	0.060	H1 Rejected
Career Development (X2) → Job Satisfaction (Z)	0.203	1.871	0.062	H2 Rejected
Work Life Balance (X3) → Job Satisfaction (Z)	0.248	2.242	0.025	H3 Accepted
Compensation (X1) → Employee Loyalty (Y)	0.135	1.229	0.220	H4 Rejected
Career Development (X2) → Employee Loyalty (Y)	0.054	0.484	0.629	H5 Rejected
Work Life Balance (X3) → Employee Loyalty (Y)	0.093	1.109	0.268	H6 Rejected
Job Satisfaction (Z) → Employee Loyalty (Y)	0.250	2.590	0.010	H7 Accepted

Data Source: Processed

Based on the results of the direct influence test in Table 10 above, it is known as follows:

The effect of compensation on job satisfaction has a positive original sample value of 0.172, t-statistics $1.883 < 1.960$ and p value $0.060 > 0.050$. These results showed that compensation had a positive but not significant effect on job satisfaction (**H1 Denied**).

The effect of career development on job satisfaction has a positive original sample value of 0.203, t-statistics $1.871 < 1.960$ and p value $0.062 > 0.050$. These results showed that career development had a positive but not significant effect on job satisfaction (**H2 Rejected**).

The effect of *work-life balance* on job satisfaction has a positive original sample value of 0.248, t-statistics $2.242 > 1.960$ and p value $0.025 < 0.050$. These results show that *work-life balance* has a significant positive effect on job satisfaction. This means that the better *the employee's work-life balance*, the more it will increase job satisfaction. (**H3 accepted**).

The effect of compensation on employee loyalty has a positive sample original value of 0.135, t-statistic $1.229 < 1.960$ and p value $0.220 > 0.050$. The results showed that compensation had a positive but not significant effect on employee loyalty (**H4 Denied**).

The effect of career development on employee loyalty has a positive sample original value of 0.054, t-statistics $0.484 < 1.960$ and p value $0.629 > 0.050$. These results showed that career development had a positive but not significant effect on employee loyalty (**H5 Rejected**).

The effect of *work-life balance* on employee loyalty has a positive sample original value of 0.093, t-statistics $1.109 < 1.960$ and p value $0.268 > 0.050$. These results showed that *work-life balance* had a positive but not significant effect on employee loyalty (**H6 Rejected**).

The effect of job satisfaction on employee loyalty has a positive sample original value of 0.250, t-statistics $2.590 > 1.960$ and p value $0.010 < 0.050$. These results show that job satisfaction has a significant positive effect on employee loyalty. This means that the better the employee's job satisfaction, the more it will increase their loyalty. (**H7 accepted**).

Table 11
Indirect Effect Test Results

Relationships Between Variables	Original Sample	T Statistics	P Values	Conclusion
Compensation (X1) → Job Satisfaction (Z) → Employee Loyalty (Y)	0.043	1.555	0.121	H8 Rejected
Career Development (X2) → Job Satisfaction (Z) → Employee Loyalty (Y)	0.051	1.205	0.229	H9 Rejected
Work Life Balance (X3) → Job Satisfaction (Z) → Employee Loyalty (Y)	0.062	1.673	0.095	H10 Rejected

Data Source: Processed

Based on the results of the direct influence test in Table 10 above, it is known as follows:

The effect of compensation on employee loyalty through job satisfaction original sample value positive 0.043, t-statistic $1.555 < 1.960$ and p value $0.121 > 0.050$. These results suggest that job satisfaction does not mediate the effect of compensation on employee loyalty (**H8 Denied**).

The effect of career development on employee loyalty through job satisfaction original sample positive value 0.051, t-statistic $1.205 < 1.960$ and p value $0.229 > 0.050$. These results suggest that job satisfaction does not mediate the effect of career development on employee loyalty (**H9 Denied**).

The effect of *work-life balance* on employee loyalty through job satisfaction original sample positive value 0.062, t-statistic $1.673 < 1.960$ and p value $0.095 > 0.050$. These results suggest that job satisfaction does not mediate the effect of *work-life balance* on employee loyalty (**H10 Denied**).

Discussion

The effect of compensation on job satisfaction.

The results of the data analysis showed that although compensation had a positive, not significant effect on job satisfaction, which concluded rejection of the first hypothesis. This is in line with Herzberg's two-factor theory, which highlights the importance of motivational factors and hygiene factors in influencing job satisfaction. Herzberg emphasizes the systematic management of motivational factors to create true job satisfaction. Although some forms of compensation such as bonuses are approved by health workers, other aspects such as salary and health benefits in the form of vouchers do not have an impact on job satisfaction. This finding is in line with other studies that noted the positive but not significant effect of compensation on job satisfaction by researchers such as (Pioh & Tawas, 2016), (Fakri et al., 2023).

The effect of career development on job satisfaction.

The results of the data analysis showed that career development had a positive, but not significant, effect on job satisfaction, which led to rejection of the second hypothesis. This finding is in line with Herzberg's two-factor theory, which emphasizes the role of motivational factors and hygiene factors in influencing job satisfaction. Herzberg highlighted the importance of job enrichment and hygiene factor management to prevent dissatisfaction. Although companies provide support in career development, respondents indicated discrepancies such as long-term employees who have not been appointed as permanent employees. This is in line with other studies that note the positive but not significant influence of career development on job satisfaction.

The effect of *work-life balance* on job satisfaction.

The results of data analysis show that work-life balance has a positive and significant effect on job satisfaction, so this third hypothesis is accepted. The concept of work-life balance, which includes work-life balance, can be analyzed with social exchange theory. In this context, organizational support for achieving that balance can increase job satisfaction and create a positive work environment. These results are consistent with research by (Basem et al., 2022).

The effect of compensation on employee loyalty.

The results of the data analysis showed that although compensation had a positive, not significant effect on employee loyalty, so the fourth hypothesis was rejected. These findings support the "equity" theory by J. Stacy Adams which emphasizes perceptions of justice in social exchange and its impact on individual behavior. Adams states that unfairness in social exchange can decrease satisfaction and can affect loyalty. Results also reflect a lack of match between the compensation the company provides and employees' perceptions of fairness. This finding is in line with other studies by (Wardi, 2021)

The effect of career development on employee loyalty.

The results of the data analysis showed that although career development had a positive, not significant effect on employee loyalty, so the fifth hypothesis was rejected. The theory of "equity" by J. Stacy Adams that emphasizes the perception of justice in social exchange and its impact on individual behavior supports this finding. Adams emphasizes that unfairness in social exchange can decrease satisfaction and affect loyalty. The findings also reflect a lack of parallels between the career development that companies provide and employees' perceptions of fairness. These results are consistent with other studies by (Lumiu et al., 2019).

The effect of *work-life balance* on employee loyalty.

The results of the data analysis showed that, although work-life balance had a positive, not significant effect on employee loyalty, so the sixth hypothesis was rejected. The theory of "equity" by J. Stacy Adams supports these findings, highlighting the importance of perceptions of justice in social exchange and its impact on individual behavior. Adams emphasizes that distributive justice has a significant influence on organizational commitment, which can be interpreted as employee loyalty to the organization (Wiwiek & Sondakh, 2015). Answers from health workers at RSIH Garut show that although the majority agree with work-life balance, there are still significant obstacles that can reduce employee loyalty, such as constraints on leave, duties while on leave, unbalanced calculation of working days, and mismatch of overtime pay. This finding is in line with research by (Situru, 2021).

The effect of job satisfaction on employee loyalty.

The results of data analysis show that job satisfaction has a positive and significant effect on employee loyalty, so the seventh hypothesis is accepted. In the context of social exchange theory, employees who are satisfied with their work tend to be more committed and loyal to the organization, because they feel they are getting rewards equal to or more than they give. These findings are consistent with research by Abdullahi et. al. (2023) which links job satisfaction with employee loyalty within the framework of social exchange theory. The answers from health workers at RSIH Garut also reflect the high level of job satisfaction, which is in line with the results of research by (Nurchayanti & Kuswandani, 2021)

The effect of compensation on employee loyalty through job satisfaction.

The results of the data analysis showed that compensation had a positive effect on employee loyalty but not significantly through job satisfaction, so the eighth hypothesis was rejected. This finding is reinforced by Herzberg's two-factor theory, which highlights the role of motivational factors and hygiene factors in influencing job satisfaction. Social justice theory by J. Stacy Adams also asserts that perceptions of fairness in social exchange can affect employee loyalty. Answers from health workers at RSIH Garut showed that most were dissatisfied with salaries and agreed with the bonus system, while other forms of compensation were not considered adequate. In conclusion, even if the company provides compensation, if employees do not feel the benefits, it will not have an impact on increasing job satisfaction and loyalty. This finding is in line with previous research by (Yafiz & Gaol, 2023)

The influence of career development on employee loyalty through job satisfaction.

The results of the data analysis showed that career development had a positive effect on employee loyalty but not significantly through job satisfaction, so the ninth hypothesis was rejected. This finding is reinforced by Herzberg's two-factor theory, which identifies motivational factors and hygiene factors in influencing job satisfaction. Social justice theory by J. Stacy Adams also highlights the role of perceived justice in social exchange of individual behavior. Answers from health workers at RSIH Garut show that they agree with career development, but there is still dissatisfaction regarding career paths and recognition of achievements. In conclusion, although the company provides career development support, if employees do not feel the benefits, it will not have an impact on increasing employee loyalty. These findings are in line with other research by (Erlina Siregar, 2021).

The effect of work-life balance on employee loyalty through job satisfaction.

The results of the data analysis showed that work-life balance had a positive effect on employee loyalty but not significantly through job satisfaction, so the tenth hypothesis was rejected. This finding is supported by Herzberg's two-factor theory, which distinguishes motivational factors and hygiene factors in influencing job satisfaction. Social justice theory by J. Stacy Adams also highlights the role of perceived justice in social exchange of individual behavior. Answers from health workers at RSIH Garut show that they agree with work-life balance, but there are still obstacles that affect employee loyalty. In conclusion, although the company provides work-life balance support, some health workers have not felt significant support, not having an impact on increasing employee loyalty.

Conclusion

The study concluded that compensation and career development had no effect on job satisfaction, while work-life balance had a significant positive effect on job satisfaction. Compensation, career development, and work-life balance have no effect on employee loyalty. Job satisfaction has a significant positive effect on employee loyalty. However, job satisfaction does not mediate the effect of compensation, career development, and work-life balance on employee loyalty.

The managerial implication of the results of this study is to provide advice to the management of RSIH Garut to focus on things that increase job satisfaction and work-life balance, evaluate the current compensation policy, and strengthen effective communication between management and hospital employees.

As for some future research agendas that can be suggested are ensuring that every variable and indicator used in the research is well understood by prospective respondents, a long enough duration of filling out questionnaires can expand the participation of more respondents, and in order to increase the validity, relevance, and scope of research, future research needs to consider other exogenous variables that affect job satisfaction and employee loyalty, including, Work environment, workload, work ethic, job characteristics, organizational culture, organizational commitment, and work motivation.

Bibliography

- Abd-El-Salam, E. M. (2023). Exploring factors affecting Employee Loyalty through the relationship between Service Quality and Management Commitment a case study analysis in the iron and steel industry Al Ezz Dekheila Steel Company in Egypt. *Cogent Business and Management*, 10(2). <https://doi.org/10.1080/23311975.2023.2212492>
- Abda Alif. (2015). Pengaruh Motivasi Kerja, Pengembangan Karir Dan Lingkungan Kerja Terhadap Organizational Citizenship Behavior (Ocb) Dengan Kepuasan Kerja Sebagai Variabel Intervening Pada Perusahaan Terminal Lpg, *Jurnal Ilmiah Manajemen* volume 5 no 2 thn 2015. *Journal of Chemical Information and Modeling*, 53(November), 1689–1699.
- Abdullahi, A. K., Mosanya, A. U., Bello, N., & Musa, M. K. (2023). Evaluation of job satisfaction among pharmacists working in public health facilities. *Exploratory Research in Clinical and Social Pharmacy*, 12(September), 100338. <https://doi.org/10.1016/j.rcsop.2023.100338>
- Aboobaker, N., Edward, M., & K.A., Z. (2020). Workplace Spirituality and Employee Loyalty: An Empirical Investigation Among Millennials in India. *Journal of Asia Business Studies*, Vol. 14 No. 2,, 211-225.
- Adams, J. S. (1965). Inequity In Social Exchange. *Advances in Experimental Social Psychology*, 2(C), 267–299. [https://doi.org/10.1016/S0065-2601\(08\)60108-2](https://doi.org/10.1016/S0065-2601(08)60108-2)
- Astuti, R.R., Prabowo, H., & Puspitasari, R. H. U. (2023). The Effect Of Compensation And Work-Life Balance On Employee Retention Through Work Satisfaction (Case Study At PT Sandang Asia Maju Abadi Semarang) *Journal of Management & Business*. 6(1), 39–62.
- Ayuningtias, H. G., Syahputra, F., & Prasetio, A. P. (2017). Kompensasi Dan Kepuasan Kerja Karyawan Bagian Sales and Marketing Industri Otomotif Di Bandung. *Jurnal Manajemen Maranatha*, 17(1), 61. <https://doi.org/10.28932/jmm.v17i1.411>
- Basem, Z., Norawati, S., Kamal, M., Munika, R., & Hastuti, S. (2022). The Effect Of Compensation, Workload, And Work Life Balance On Employee Loyalty With Job Satisfaction As A Moderating Variable. *Italienisch*, 12(2), 405-425.
- Blau, P. M. (2018). Social Exchange. *Exchange and Power in Social Life*, I(1), 88–114. <https://doi.org/10.4324/9780203792643-4>
- Chen, S., Xu, K., & Yao, X. (2022). Empirical study of employee loyalty and satisfaction in the mining industry using structural equation modeling. *Scientific Reports*, 12(1), 1–15. <https://doi.org/10.1038/s41598-022-05182-2>
- Cropanzano, R., Anthony, E. L., Daniels, S. R., & Hall, A. V. (2017). Social exchange theory: A critical review with theoretical remedies. *Academy of Management Annals*, 11(1), 479–516. <https://doi.org/10.5465/annals.2015.0099>
- Dwidjosumarno, B. H. S. (2021). The Effect of Ethics and Work Environment on Loyalty Through Employee Satisfaction and Commitment. *Matrik: Jurnal Manajemen*,

- Strategi Bisnis Dan Kewirausahaan, 15(1), 160–166.
<https://doi.org/10.24843/matrik:jmbk.2021.v15.i01.p14>
- Edwin, E., Elvinawaty, R., & Putra, A. I. D. (2019). Loyalitas Karyawan ditinjau dari Kualitas Kehidupan Kerja pada Karyawan dan Karyawati. *PHILANTHROPY: Journal of Psychology*, 3 (1), 1. <https://doi.org/10.26623/philanthropy.v3i1.1286>
- Ghozali, I. (2021). *Partial Least Squares: Konsep, Teknik, dan Aplikasi*. Semarang: Badan Penerbit Universitas Diponegoro.
- Hair, J. . F., Hult, T. . M. G., Ringle, C. M., Sarstedt, D., Danks, N. P., & Ray, S. (2021). An introduction to structural equation modeling. Partial least squares structural equation modeling with R. In *Practical Assessment, Research and Evaluation* (Vol. 21, Issue 1)
- Harahap, D. S. & Khair, H. (2019) *Maneggio: Jurnal Ilmiah Magister Manajemen*, Vol 2, No. 1, 69-88. <https://doi.org/10.30596/maneggio.v2i1.3404>
- Harden, G., Boakye, K. G., & Ryan, S. (2018). Turnover Intention of Technology Professionals: A Social Exchange Theory Perspective. *Journal of Computer Information System*, 58:4,, 291-300.
- Herzberg, F. (1987). One more time: How do you motivate your employees. *Hbr*, 6(5), 76–86.
https://www.insidemarketing.it/wpcontent/uploads/2020/08/one_more_time_-_how_do_you_motivate_employees.pdf
- Homans, G. C. (1958). Social Behavior as Exchange. *American Journal of Sociology*, 63(6), 597–606. <https://doi.org/10.1086/222355>
- Kemenkes RI. (2022). *Profil Kesehatan Indonesia 2021*. In Pusdatin.Kemenkes.Go.Id.
- Labrague, L. J., Gloe, D. S., McEnroe-Petitte, D. M., Tsaras, K., & Colet, P. C. (2018). Factors influencing turnover intention among registered nurses in Samar Philippines. *Applied Nursing Research*, 39(September 2017), 200–206. <https://doi.org/10.1016/j.apnr.2017.11.027>
- Larastrini, P. M., & Adnyani, I. G. A. D. (2019). Pengaruh Kepuasan Kerja Lingkungan Kerja Dan Work – Life Balance Terhadap Loyalitas Karyawan. *E-Jurnal Manajemen Universitas Udayana*, 8(6), 3674. <https://doi.org/10.24843/ejmunud.2019.v08.i06.p14>
- Lisdiani, V. (2017). Pengaruh Pengembangan Karir terhadap Kepuasan Kerja Karyawan melalui Motivasi Kerja sebagai Variabel Intervening. *Jurnal Ilmu Administrasi Bisnis*, 1–8. <https://ejournal3.undip.ac.id/index.php/jiab/article/view/17602%0Ahttps://ejournal3.undip.ac.id/index.php/jiab/article/viewFile/17602/16843>
- Lumiu, C. A., Pio, R. J., & Tatimu, V. (2019). Pengaruh Karakteristik Pekerjaan, Pengembangan Karir Dan Kompensasi Terhadap Loyalitas Karyawan. *Jurnal Administrasi Bisnis*, 9(3), 93. <https://doi.org/10.35797/jab.9.3.2019.25518.93-100>
- Maharani, C., Kinanti, A. D., Yogiswara, A., Syahputri, D. A., & Farisandy, E. D. (2023). Pengaruh Work-Life Balance terhadap Kepuasan Kerja pada Karyawan di Bintaro. *Jurnal Psikologi Perseptual*, 8(1), 80–98. <https://doi.org/10.24176/perseptual.v8i1.9925>
- Marhalinda, M., & Supiandini, A. (2022). Pengaruh Work Life Balance, Lingkungan Kerja Dan Kompensasi Terhadap Loyalitas Karyawan Pada Rumah Sakit Khusus Daerah (RSKD) Duren Sawit. *Ikraith-Ekonomika*, 5(3), 98–107. <https://doi.org/10.37817/ikraith-ekonomika.v5i3.2445>
- Ma'ruf, R. (2021). Pengaruh Kompensasi dan Work Life Balance Terhadap Loyalitas

- Karyawan. *Psikoborneo: Jurnal Ilmiah Psikologi*, 9(1), 110. <https://doi.org/10.30872/psikoborneo.v9i1.5671>.
- Mauludi, M. F., & Kustini, K. (2022). Pengaruh Work Life Balance dan Lingkungan Kerja Non Fisik terhadap Loyalitas Karyawan pada Generasi Milenial. *J-MAS (Jurnal Manajemen Dan Sains)*, 7(2), 472-476. <https://doi.org/10.33087/jmas.v7i2.414>
- Mea, M. H. C. D., & Se, H. (2023). Work-Life Balance, Job Satisfaction, and Work Environment Influences on Educators' Loyalty. Atlantis Press International BV. https://doi.org/10.2991/978-94-6463-154-8_2
- Mellasanti, A., & Ingsih, K. (2017). Kompensasi Sebagai Penentu Kepuasan Kerja. *Jurnal Penelitian Ekonomi Dan Bisnis*, 1(1), 47-59. <https://doi.org/10.33633/jpeb.v1i1.1474>
- Mohamad Januar Bagus Indranata, & Siti Safaria. (2023). The Effect of Compensation and Empowerment on Employee Loyalty Mediated by Job Satisfaction (Case Study at PT Permodalan Nasional Madani Regional Surabaya 1). *Formosa Journal of Sustainable Research*, 2(8), 1927-1942. <https://doi.org/10.55927/fjsr.v2i8.5358>
- Nasir, M., Kamase, J., Djamareng, A., & Sukmawati. (2022). Kinerja: Tinjauan Kompensasi Dan Kepemimpinan Serta Lahirnya Loyalitas Karyawan. *Manor: Jurnal Manajemen Dan Organisasi Review*, 4(2), 147-154. <https://journal.unifa.ac.id/index.php/manor/article/view/401>
- Nur Halimah. (2022). Pengaruh Kompensasi Dan Pemberdayaan Terhadap Loyalitas Dengan Kepuasan Kerja Sebagai Variabel Intervening (Studi Pada Pegawai Kantor Kementerian Agama Kabupaten Rokan Hulu). *Hirarki : Jurnal Ilmiah Manajemen Dan Bisnis*, 4(1), 826-642. <https://doi.org/10.30606/hirarki.v4i1.1514>
- Nurchayanti, K. K., & Kuswandani, D. R. (2021). Pengaruh Kompensasi, Beban Kerja Dan Persepsi Jenjang Karir Dengan Kepuasan Kerja Sebagai Pemeditasi Terhadap Loyalitas Perawat (Studi Pada Rumah Sakit Swasta Tipe D Di Kabupaten Banyumas). *Jurnal Ilmiah Edunomika*, 5(2), 814-822. <https://doi.org/10.29040/jie.v5i2.2674>
- Pioh, N. L., & Tawas, H. N. (2016). Pengaruh Kompensasi dan Lingkungan Kerja Terhadap Kepuasan Kerja dan Kinerja Pegawai (Studi Pada PNS Di Kantor Kecamatan Sonder Kabupaten Minahasa). *Jurnal EMBA*, 4(2), 838-848.
- Prasetyo, A. P. (2018). Mediating role of Job Satisfaction in the Relation of Work-Life Balance and Organizational Commitment Analisis Peran Mediasi Kepuasan Kerja Dan Komitmen Organisasi Dalam Hubungan Work-Life Balance dan Organizational Citizenship. February 2017.
- Rahmansyah, A. M., Utami, H. N., & Prasetya, A. (2023). The Effect of Work Life Balance and Work Engagement on Employee Loyalty and Performance. *PROFIT: Jurnal Administrasi Bisnis*. Vol. 17, No. 1, 10-18.
- Rizana, D. (2020). Pengaruh Kompensasi dan Pemberdayaan Terhadap Loyalitas Dengan Kepuasan Kerja Sebagai Variabel Intervening. *Jurnal E-Bis (Ekonomi-Bisnis)*, 4(2), 179-191. <https://doi.org/10.37339/e-bis.v4i2.222>
- S., T., & S.N., G. (2023). Work-life balance -a systematic review. *Vilakshan - XIMB Journal of Management*, 20(2), 258-276. <https://doi.org/10.1108/xjm-10-2020-0186>
- Samat, M. F., Hamid, M. N., Awang@Ali, M. A. S., Wan Juahari, W. M. I. F., Ghazali, K. A., & Mat Nawi, F. A. (2020). the Relationship Between Career Development, Compensation, Job Security, Work Environment and Employee Loyalty. *E-Academia Journal*, 9(1). <https://doi.org/10.24191/e-aj.v9i1.9525>

- Saputra, A. A. (2021). Pengaruh Kompensasi, Lingkungan Kerja dan Beban Kerja Terhadap Kepuasan Kerja Karyawan. *Technomedia Journal*, 7(1), 68–77. <https://doi.org/10.33050/tmj.v7i1.1755>
- Siregar, S. M., Ainun, N., & Putra, S. A. (2022). Pengaruh Insentif dan Pengembangan Karir terhadap Loyalitas Karyawan dengan Kepuasan Kerja sebagai Variabel Intervening pada CV. Mala Sari. *Jesya (Jurnal Ekonomi & Ekonomi Syariah)*, 5(1), 498–505. <https://doi.org/10.36778/jesya.v5i1.605>
- Situru, J. B. (2021). Pengaruh Work Life Balance dan Work Engagement Terhadap Loyalitas Karyawan Pada PT Albasia Bhumiphala Persada Temanggung (Doctoral dissertation).
- Sugiyatmo, R., Fara, Kristanto, S., & Rudi. (2022). Pengaruh Happiness At Work dan Work Life Balance Terhadap Loyalitas Karyawan Generasi Z. *STIE Bank BPD Jateng*.
- Summaryathi, N. K. D., & Dewi, I. G. A. M. (2020). The Effect of Compensation on Employee Loyalty with Job Satisfaction as a Mediator. *American Journal of Humanities and Social Sciences Research*, 4(1), 367–373. www.ajhssr.com
- Sunyoto, D., & Saksono, Y. (2022). Antecedents of Program Study Social Science PTS in Yogyakarta Based on Social Exchange Theory. *Jurnal Inovasi Penelitian*, 3(5), 6123–6132.
- Suryani, N. L. (2020). Pengaruh Pengembangan Karir Dan Disiplin Terhadap Kepuasan Kerja Karyawan Pada PT. Qeon Interactive - Jakarta Pusat. *JENIUS (Jurnal Ilmiah Manajemen Sumber Daya Manusia)*, 3(2), 208. <https://doi.org/10.32493/jjsdm.v3i2.3939>
- Wardi, A. S. (2021). Analysis of the Effect of Job Characteristics, Compensation, Religiosity on Employee Loyalty at Tabassam Farm Mojokerto. *International Journal of Review Management, Business, and Entrepreneurship (RMBE)*, 1(2), 258-266.
- Willy Rizky Utami, V. A. V., & Dwiatmadja, C. (2020). Pengaruh Pengembangan Karir, Motivasi Kerja Dan Pemberian Kompensasi Terhadap Loyalitas Kerja Karyawan (Studi Kasus Pada Karyawan PT. Tribun Berita Online). *International Journal of Social Science and Business*, 4(2), 267–275. <https://doi.org/10.23887/ijssb.v4i2.24221>
- Wiwiek, W., & Sondakh, O. (2015). Pengaruh keadilan organisasional pada motivasi karyawan dan komitmen organisasional. *Jurnal Siasat Bisnis*, 19(1), 69–77. <https://doi.org/10.20885/jsb.vol19.iss1.art6>
- Yafiz, M., & Gaol, R. L. (2023). Pengaruh Kompensasi dan Lingkungan Kerja Terhadap Loyalitas Karyawan PT. BSI KC Medan S Parman dengan Kepuasan Kerja Sebagai Variabel Intervening. *Jurnal Ilmiah Ekonomi Islam*, 9(02), 2683-2696. doi: <http://dx.doi.org/10.29040/jiei.v9i2.9684>
- Yudha, G. S., Wardhani, R. K., & Fajariah, N. (2019). Pengaruh Karakteristik Pekerjaan, Pengembangan Karir Dan Kompensasi Terhadap Loyalitas Kurir Pada Pt. Shopee Express Hub Kediri. *Jurnal Ekonomi, Bisnis Dan Manajemen*, 1(3), 47–57