

THE INFLUENCE OF CAREER DEVELOPMENT, COMPENSATION, AND WORK ENVIRONMENT ON TURNOVER INTENTION OF GEN Z EMPLOYEES (A CASE STUDY IN JAKARTA)

By

Gede Agus Wira Tanaya 014201900148

A Thesis submitted to the School of Business, President University in partial fulfillment of the requirements for the Degree in Management Science

January 2023

ACKNOWLEDGEMENT

I'd like to express my heartfelt thanks to President University, my parents, my lecturers, and my friends. I'm very glad to study at President University, I would like to thank President University for giving me the opportunity to achieve and obtain my bachelor's degree. A thesis titled **"The Influence of Career Development, Compensation, and Work Environment on Turnover Intention of Gen Z Employees (A Case Study in Jakarta)"** is written as one of the requirements for the researcher's Bachelor's Degree.

This thesis could not be completed well without sincere support and helps from various parties. The researcher would like to express the warmest gratitude to those who are sincerely involved and gave help in this journey, they are:

1. First and foremost, before I continue any further, I want to thank God for the blessings and guidance throughout my thesis journey until I could finish it well.

2. I would like to thank my thesis advisor, Mam Grace Amin, S.Psi., M.Psi., Psikolog. This thesis was completed under her cordial care and careful guidance. Her serious scientific attitude, rigorous academic spirit, and excellent work style, deeply infected and inspired me. Without her usual and enlightening guidance, this thesis would not have been in its present form.

3. Much gratitude to my family and my partner for providing me with all the support throughout my life, especially when I finished the thesis. 4. I would also like to thank friends who spent their college study life happily together. It is precise because of your help and support.

5. The Dean of the Faculty of Business, the Head of the Management Study Program, and all Lecturers and Staff of President University for all of the knowledge and supports that has been given to me.

5. All parties who have been involved in helping the researcher to finish this thesis well. Thank you so much!

Cikarang, Indonesia, 20th January 2023

Gede Agus Wira Tanaya

PLAGIARISM REPORT

THE INFLUENCE OF CAREER DEVELOPMENT, COMPENSATION, AND WORK ENVIRONMENT ON TURNOVER INTENTION OF GEN Z EMPLOYEES

	I Z EMIPLOYEES	
ORIGIN	ALITY REPORT	
-	5% 12% 8% 6% student	PAPERS
PRIMAR	Y SOURCES	
1	Submitted to President University Student Paper	1 %
2	jurnal.stie-aas.ac.id Internet Source	<1%
3	repository.president.ac.id	<1%
4	Ira Meirina, Feri Ferdian, Pasaribu Pasaribu, Hijriyantomi Suyuthie. "THE INFLUENCE OF WORK ENVIRONMENT TOWARDS TURNOVER INTENTION OF EMPLOYEE OF 4 STAR HOTELS IN PADANG CITY", Journal of Business on Hospitality and Tourism, 2018 Publication	<1%
5	Submitted to School of Business and Management ITB Student Paper	<1%
6	Niharika Gaan, Yuhyung Shin. "Generation Z software employees turnover intention",	<1%

PANEL OF EXAMINERS APPROVAL SHEET

The Panel of Examiners declare that the Thesis THE INFLUENCE OF CAREER DEVELOPMENT, COMPENSATION, AND WORK ENVIRONMENT ON TURNOVER INTENTION OF GEN Z EMPLOYEES (A CASE STUDY IN JAKARTA) that was submitted by Gede Agus Wira Tanaya majoring in Management from the School of Business was assessed and approved to have passed the Oral Examinations on 1st February 2023

Panel of Examiners Liswandi, S.Pd, MM, Ph.D **Chair - Panel of Examiners** Dr. Bruno Rumyaru, MA **Examiner 2** Grace Amin, S.Psi., M.Psi., Psikolog **Examiner 3**

STATEMENT OF ORIGINALITY

In my capacity as an active student of President University and as the author of the <u>thesis</u>/final project/business plan stated below:

Name	: Gede Agus Wira Tanaya
Student ID number	: 014201900148
Study Program	: Management
Faculty	: Faculty of Business

I hereby declare that my <u>thesis</u>/final project/business plan entitled **THE INFLUENCE OF CAREER DEVELOPMENT, COMPENSATION, AND WORK ENVIRONMENT ON TURNOVER INTENTION OF GEN Z EMPLOYEES (A CASE STUDY IN JAKARTA)** is to the best of my knowledge and belief, an original piece of work based on sound academic principles. If there is any plagiarism detected in this thesis, I am willing to be personally responsible for the consequences of these acts of plagiarism, and will accept the sanctions against these acts in accordance with the rules and policies of President University.

I also declare that this work, either in whole or in part, has not been submitted to another university to obtain a degree.

Cikarang, 20th January 2023

(Gede Agus Wira Tanaya)

CONSENT FOR INTELLECTUAL PROPERTY RIGHT

Title of Thesis	THE INFLUENCE OF CAREER
	DEVELOPMENT, COMPENSATION, AND
	WORK ENVIRONMENT ON TURNOVER
	INTENTION OF GEN Z EMPLOYEES (A CASE
	STUDY IN JAKARTA)

- 1. The Author hereby assigns to President University the copyright to the contribution named above whereby the university shall have the exclusive right to publish the contribution and translations of it wholly or in part throughout the world during the full term of copyright including renewals and extensions and all subsidiary rights.
- 2. The Author retains the right to re-publish the preprint version of the contribution without charge and subject only to notifying the University of the intent to do so and to ensuring that the publication by the University is properly credited and that the relevant copyright notice is repeated verbatim.
- 3. The Author retains moral and all proprietary rights other than copyright, such as patent and trademark rights to any process or procedure described in the contribution.
- 4. The Author guarantees that the contribution is original, has not been published previously, is not under consideration of publication elsewhere and that any necessary permission to quote or reproduce illustrations from another source has been obtained (a copy of any such permission should be sent with this form).
- 5. The Author guarantees that the contribution contains no violation of any existing copyright or other third party right or material of an obscene,

indecent, libellous or otherwise unlawful nature and will indemnify the University against all claims arising from any breach of this warranty.

6. The Author declares that any named person as co – author of the contribution is aware of this agreement and has also agreed to the above warranties.

Name:	Gede Agus Wira Tanaya
Date:	20 th January 2023
Signature:	14mm

SCIENTIFIC PUBLICATION APPROVAL FOR ACADEMIC INTEREST

As an academic community member of the President's University, I, the undersigned:

Name	: Gede Agus Wira Tanaya
Student ID number	: 014201900148
Study program	: Management

for the purpose of development of science and technology, certify, and approve to give President University a non-exclusive royalty-free right upon my final report with the title:

THE INFLUENCE OF CAREER DEVELOPMENT, COMPENSATION, AND WORK ENVIRONMENT ON TURNOVER INTENTION OF GEN Z EMPLOYEES (A CASE STUDY IN JAKARTA)

With this non-exclusive royalty-free right, President University is entitled to converse, to convert, to manage in a database, to maintain, and to publish my final report. There are to be done with the obligation from President University to mention my name as the copyright owner of my final report.

This statement I made in truth.

Cikarang, 20th January 2023

Gede Agus Wira Tanaya

ADVISOR APPROVAL FOR JOURNAL OR INSTITUTION'S REPOSITORY

As an academic community member of the President's University, I, the undersigned:

Name	: Grace Amin
NIDN Number	: 0421078601
Study program	: Management
Faculty	: Faculty of Business

declare that following thesis:

Title of thesis	: The Influence of Career Development,		
	Compensation, and Work Environment on		
	Turnover Intention of Gen Z Employees (A Case		
	Study in Jakarta)		
Thesis author	: Gede Agus Wira Tanaya		
Student ID number	: 014201900148		

will be published in journal or institution's repository

Cikarang, 20th January 2023

fraction

(Grace Amin, S.Psi., M.Psi., Psikolog)

TABLE OF CONTENT

ACKNOWLEDGEMENT i
PLAGIARISM REPORTiii
PANEL OF EXAMINERS iv
STATEMENT OF ORIGINALITY v
CONSENT FOR INTELLECTUAL PROPERTY RIGHT vi
SCIENTIFIC PUBLICATION APPROVAL FOR ACADEMIC INTEREST
viii
ADVISOR APPROVAL FOR JOURNAL OR INSTITUTION'S
REPOSITORYix
TABLE OF CONTENT x
LIST OF TABLES xiii
LIST OF FIGURES xiv
ABSTRACTxv
CHAPTER 1
INTRODUCTION
1.1 Background
1.2 Problem Statement
1.3 Research Questions
1.4 Research Outline
CHAPTER 2 11
LITERATURE REVIEW11
2.1 Review of Literature
2.1.2 Compensation
2.1.3 Work Environment
2.1.4 Turnover Intention
2.1.5 The Relation Between Career Development and Turnover Intention
2.1.6 The Relation Between Compensation and Turnover Intention
2.1.7 The Relation Between Work Environment and Turnover Intention
2.2 Theoretical Framework

2.3 Hypotheses Development	
2.4 Previous Research	
2.5 Research Gap	
CHAPTER 3	
METHODOLOGY	
3.1 Research Design	
3.2 Sampling Plan	
3.2.1 Population	
3.2.2 Sample	
3.3 Instrumen/Operational Definitions	
3.4 Data Collection Method	
3.5 Data Analysis Method	
3.5.1 Descriptive Analysis	
3.5.2 Validity Test	
3.5.3 Reliability Test	
3.5.4 Classical Assumption Test	
3.5.5 Multiple Regression Analysis	
3.5.6 Hypothesis test	
CHAPTER 4	
ANALYSIS AND DISCUSSION	
4.1 Description of Respondent Characteristics	
4.1.1 Gender	
4.1.2 Year of Birth	
4.1.3 Length of time working at the current company	
4.1.4 Last Education	
4.1.5 Salary in 1 month	
4.2 Descriptive Analysis Result	
4.3 Validity & Reliability Test	
4.3.1 Validity Test	
4.3.2 Reliability Test	
4.4 Classical Assumption Test	
4.4.1 Multicollinearity Test	
4.4.2 Heteroscedasticity Test	

4.4.3 Normality Test	54
4.5 Multiple Linear Regression Analysis	56
4.6 Hypothesis Test	57
4.6.1 Partial Test (T-test)	57
4.6.2 Simultaneous Test (F-Test)	59
4.6.3 Coefficient of Determination Analysis (R2)	60
4.7 Discussion of Findings	61
CHAPTER 5	64
CONCLUSION & RECOMMENDATIONS	64
5.1 Conclusion	64
5.2 Recommendations	64
REFERENCES	XV
APPENDICIES	xx

LIST OF TABLES

Table 2.1: Previous Research 2	26
Table 3.1: Operational Definitions	35
Table 3.2: Likert Scale 3	38
Table 4.1: Respondent's Gender	16
Table 4.2: Respondent's Year of Birth 4	17
Table 4.3: Respondent's Length of time working at the current company	18
Table 4.4: Respondent's Last Education	18
Table 4.5: Respondent's Last Education	19
Table 4.6: Descriptive analysis Result	19
Table 4.7: Validity Test Results	51
Table 4.8: Reliability Test Results 5	52
Table 4.9: Multicollinearity Test Results	53
Table 4.10: Gletsjer Test Results 5	54
Table 4.11: Normality Test Results 5	55
Table 4.12: Multiple Linear Regression Analysis 5	57
Table 4.13: Partial Test (T-Test) Result	57
Table 4.14: Simultaneous Test (F-Test) Result	59
Table 4.15: Coefficient of Determination 6	51

LIST OF FIGURES

Figure 1.1: Results of the 2020 Indonesian Population Census	2
Figure 1.2: The Loyalty Level of Employees from Various Generations in the	
Workplace	3
Figure 2.1: Theoretical Framework	25
Figure 4.1: The Histogram Regression Standardized Residual	55
Figure 4.2: P-P Plot Graphic	56

ABSTRACT

When Gen Z began to enter the workplace, many companies started to experience an increase in turnover rate. This is become an issue because recruiting new talent requires a lot of efforts. This study aims to examine the influence of career development, compensation, and work environment on turnover intentions of Gen Z Employees. The researcher employed quantitative research by using the multiple linear regression analysis method. The sample used in this study were Gen Z who currently work in Jakarta, totaling 160 respondents. Data were collected through questionnaires and then analyzed using the SPSS program. The results of this study indicate that (1) career development has a negative influence on turnover intention; (2) Compensation has a negative influence on turnover intention; (3) Work environment has a negative influence on Turnover Intention; (4) Career development, compensation and work environment have a simultaneous influence on the turnover intention. Thus, this study recommends companies to ensure that they provide good career development, compensation, and a work environment to reduce Gen Z's intention to leave the company.

Keywords: Gen Z, Career development, compensation, work environment, turnover intention