

(MEC-J) Management and Economics Journal

E-ISSN: 2598-9537 P-ISSN: 2599-3402

Ournal Home Page: http://ejournal.uin-malang.ac.id/index.php/mec

Volume 8 Number 2, August 2024

The Influence of Training and Career Development on Employee Retention Mediated by Job Satisfaction

ABSTRACT

Anisyah Risky Nasution^{1*} Suhairi², and Nurbaiti³

¹²³Faculty of Islamic Economic and Business, Universitas Islam Negeri Sumatera Utara, Medan, Indonesia

*Corresponding author e-mail: anisyahriskynst@gmail.com

PT. Pegadaian Kanwil I Medan acknowledges the importance of investing in employee development. However, despite these efforts, the company faces challenges with low employee retention rates and turnover rates exceeding acceptable levels. These issues adversely affect the company's performance and productivity. Ineffective training and inconsistent career development are identified as primary factors contributing to job dissatisfaction and low employee retention. Therefore, this study aims to explore how employee development experiences, specifically through training and career development, influence employee retention. Job satisfaction is examined as a mediator in this relationship. The research adopts a quantitative approach with a causal/correlational research design. A sample of 60 employees participated in the study, providing data through questionnaires. The analysis utilizes path analysis with Smart-PLS 3.0 software, focusing on evaluating both the measurement model and structural model. The findings reveal that training significantly enhances employee retention but does not significantly affect job satisfaction. Conversely, career development does not directly impact employee retention but significantly influences job satisfaction. Job satisfaction is found to mediate the relationship between career development and employee retention but does not mediate the relationship between training and employee retention. These findings underscore the critical role of training and career development in improving staff retention at PT. Pegadaian Kanwil I Medan. The study highlights the importance of enhancing training programs and emphasizing career development to boost employee satisfaction and retention.

Keywords: Training; Career Development; Job Satisfaction; Employee Retention

| Submited July 2024 | Reviewed July 2024 | Revised July 2024 | Accepted August 2024 | DOI: http://dx.doi.org 18860/mec-j.v8i2.28494

INTRODUCTION

Internal and external support has a strong influence on the performance of a business. One of the key factors to increase productivity is a high level of employee retention, as observed at PT. Pegadaian Kanwil I Medan. Pegadaian was established in 1746 with the aim of preventing unfair credit and lending practices, improving the welfare of small

communities and supporting government policies towards national economic development. The success of a company depends not only on the products or services it offers, but also on the quality of its human resources. PT. Pegadaian Kanwil I Medan, as part of a large corporate network in Indonesia, recognizes the importance of investing in employee development to improve productivity and retention. High employee loyalty is essential to improve performance (Sumarni, 2011). Low employee retention rates lead to high employee turnover, which has a negative impact on company performance and efficiency. Therefore, companies must pay attention to all aspects related to employee rights. Based on empirical data, it is found that the employee turnover rate at PT. Pegadaian Kanwil I Medan exceeds the normal limit, which results in suboptimal company performance and productivity. This phenomenon is thought to be caused by ineffective training and uneven career development, so that employees have not felt satisfaction at work. The following is data on the number of turnover of PT. Pegadaian Kanwil I Medan in 2021-2023.

Table 1. Data of Turnover PT. Pegadaian Kanwil I Medan in 2021–2023

Year	Number of Employees	Number of Employees	Turnover
	Leving		
2021	13 people	53 people	24%
2022	13 people	57 people	22%
2023	10 people	56 people	17%

Source: PT Pegadaian Kanwil I Medan, 2024

According Gillies (1994) and Hartono & Setiawan (2013), employee turnover between 5 and 10 percent per year is considered normal; more than that, it is considered high. Based on the data received, the employee turnover situation at PT. Pegadaian Kanwil I Medan in the 2021-2023 period, as shown in Table 1, shows that the number of employees who quit is still high. This is reflected in the employee turnover rate which continues to be above 10% from 2021 to 2023, signaling a higher than normal rate. A high turnover rate indicates a high level of uncertainty and low employee retention in the company. Therefore, to maintain performance and productivity, the company must strengthen its workforce. Ikhwanto (2015) found that job satisfaction correlates with turnover rates. Organizations that have employees who are relatively satisfied with their jobs tend to have lower turnover. Employee job satisfaction increases loyalty to the organization, while dissatisfaction encourages employees to leave the organization.

The results of data and interviews with several employees show that training and career development at PT. Pegadaian Kanwil I Medan is running well. The current program focuses on short-term as well as long-term results. Employees feel that the training is relevant and useful for their career development, the company adjusts their training and development programs to ensure employees stay up-to-date with the necessary skills. So employees have equal access to training and career development opportunities.

However, some employees said that although training and career development at PT Pegadaian Kanwil I Medan is going well, some employees feel that they are not fully satisfied with the existing program. Employees feel that although the training is relevant and useful, there are unmet needs that cause employee retention to remain high. They hope that the company can pay more attention to aspects that support job satisfaction in order to reduce employee turnover.

According to Kwenin (2013), employees tend to be more committed and loyal to organizations in industries that provide training and learning services to employees. In addition, skilled employees can increase industry productivity. According to Sutherland (2004), if companies offer career development to their employees, especially those that are directly related to their work, then employees will tend to stay at work to gain more knowledge. To improve employee retention, industries should consider implementing employee development policies. Because this policy can increase work motivation. Employee retention is influenced by career development (Mathis et al., 2006), career development is a key element in human resource management that has a significant impact on employee retention (Sari & Sinulingga, 2011). Career development includes training opportunities, promotions, and skills development, all of which aim to improve employee performance in the industry (Meyer & Smith, 2000).

In a study conducted by Urbani et al. (2023) the researchers found that job satisfaction We investigated how this applies to maintenance. The research findings show that training and development are important. Bank Mandiri has a positive impact on employee retention and job satisfaction. Employees feel that they can improve their abilities and expertise through training and development, which motivates them to stay in the industry for a long time. In addition, training and development increases employee job satisfaction as they ensure that industry goals are met. Thus, PT Bank Mandiri recognizes the value of paying close attention to training and development as an effort to retain quality employees and improve their job satisfaction.

For research attempted by Wirayudha & Adnyani (2020) the aim is to investigate the impact of Reward and Career Development on Job Satisfaction and Employee Retention at BPR Lestari Teuku Umar Denpasar". Research shows that compensation and career development have a positive and significant effect on job satisfaction. While compensation, career development, and job satisfaction have a positive and significant effect on employee retention. Job satisfaction plays a role in mediating the effect of career development on employee retention. In other words, when employee compensation and professional development increase job satisfaction, job satisfaction tends to be higher and employee retention rates also increase.

Another study conducted by Al-sharafi (2018) found that training has a positive impact on employee satisfaction and retention. The study highlighted the importance of training in enhancing employee satisfaction and boosting retention rates in Yemen's telecommunications sector. Interestingly, the findings revealed that career development

was not linked to employee satisfaction or retention. Furthermore, the research indicated that job satisfaction mediates the relationship between training and employee retention in Yemen's telecommunications sector.

Drawing on the information outlined and from past studies, the results presented from some of the empirical research show that there are comparisons in the ties between the variables studied. One of the updates encountered is on the Career Development variable, which empirically displays the existence of ties between these variables. The existence of gaps in this research is the main reason for researchers to further explore the influence of training and career development on employee retention and job satisfaction at PT Pegadaian Kanwil I Medan

This study aims at the impact of non-monetary applications, specifically how much influence training and career advancement have on employee retention and job satisfaction at PT. Pegadaian Kanwil I Medan. Moreover, this research also aims to explore the role of job satisfaction as a mediator in the relationship between training, career development, and employee retention.

LITERATURE REVIEW

Employee Retention

There are various definitions of employee retention. Employee retention is defined by Mathis et al., (2006) as the ability of a company to retain future employees who are loyal to the company. Neog & Barua, (2015) said employee retention is the policies and procedures that companies use to prevent key employees from leaving the company. However, Oyoo et al., (2016) In other words, employee retention means that employees should keep working for the company for as long as possible or until a particular project is completed. In general, employee retention is a method used by organizations or companies to retain their employees with financial and non-financial benefits. According to Mathis & Jackson, (2008)organizational elements, career opportunities, rewards, job design, and employee relations are indicators of employee retention.

Training

According to Blanchard & Thacker (2013), training is an activity carried out by organizations to equip employees with knowledge and skills that enable them to work more effectively, understand organizational needs, and adapt to future changes. Gomez-Mejia (2001) defines training as the process of equipping employees with specific skills, correcting deficiencies in their work, and developing skills that the organization needs in the future. The two-factor theory developed by Frederick Herzberg explains the relationship between training and employee retention (Abba, 2018). There are two main factors in this theory, namely motivators and hygiene. First, motivator factors include opportunities for training and self-development. With training, it is expected that employees' abilities will increase, so that they feel more comfortable with their work,

which in turn can increase employee retention. Second, hygiene factors include work environment, company policies, and work stress. Hygiene factors tend to come from outside the individual. Therefore, based on the motivator factor, employees who do not get training as a form of self-development tend not to stay long in the company. According to Wahyuningsih, (2019), there are five indicators in training, namely: training, content, methods used, competence of participants and competence of trainers.

Career Development

Sullivan & Baruch (2009)define career as a series of jobs and other experiences inside and outside the organization that form a unique pattern of life in a person. According to Handoko (2012) the definition of career is advancement in the job hierarchy to a position or positions that require greater responsibility in a career. Shaito (2019) defines career management as planning actions to adjust, develop, and have financial stability in your life. Career development is a lifelong process in which learning, work, leisure, and transitions are designed to help you grow and develop as a person towards a secure future (Shaito, 2019). Mathis et al. (2006) argue that career development in organizations affects employee retention. Personal development opportunities are one of the factors that drive employee motivation to accept and work in modern organizations. Factors that support this development include continuous training, personal career development and formal career planning in the organization. Veithzal & Sagala (2010) explain five indicators of career development: Equal approach to career development, direct management attention, awareness of motivational opportunities, concern for growth and satisfaction.

Job satisfaction

According to Kawania (2020), job satisfaction is an assessment of one's satisfaction or dissatisfaction and feelings of satisfaction or dissatisfaction at work. Job satisfaction, according to Busro (2018) is defined as a comparison between achieved and expected results. The higher the performance than expected, the higher the employee satisfaction. However, when performance does not meet expectations, job satisfaction becomes low. Job satisfaction is an emotional state resulting from the evaluation of work experiences (Mathis & Jackson, 2008). Employee job satisfaction influences their decision to stay or leave the company. According to Robbins (2006), job satisfaction and employee retention are closely correlated: Managers should pay attention to employees' attitudes as these can indicate potential problems and influence their behavior. Satisfied employees have low absenteeism and absenteeism rates. Managers must create a positive work environment and reward employee satisfaction if they want to reduce absenteeism and improve employee retention, particularly productivity. According to Mathis & Jackson (2008), employees who are satisfied with their jobs tend to stay in the company, while those who are dissatisfied tend to leave. Job satisfaction influences a person's decision to stay or leave a company. According to Robbins & Judge

(2015), job satisfaction indicators include work itself, compensation, promotion, supervision, and relationships with coworkers.

Hypotheses Development

The influence of training on employee retentetion at PT. Pegadaian Kanwil I Medan Empolyees

Nurmalitasari & Andriyani (2021) training provided by the company in the form of a training program that can improve mastery of certain work skills and techniques so that confidence increases and added value is created. Sharma & Taneja research, (2018) training is recognized as one of the ways that can retain employees for a long time and according to him training is more beneficial for employees and businesses. According to Haider et al. (2015) employees will be loyal to the company if the company is committed to providing long-term training and development for them.

The influence of training on job satisfaction at PT. Pegadaian Kanwil I Medan Empolyees

Employees accept that they may leave the company if training opportunities are not offered. The greater the opportunity for employees to advance their careers, the greater the confidence in developing their work skills, so that the employee feels a desire to remain in the company in a position that suits his interests and skills (Yamamoto, 2013).

The influence of career development on employee retentetion at PT. Pegadaian Kanwil I Medan Empolyees

Career development on employee retention in several studies shows that career development has a positive and significant effect on employee retention. Research conducted by Sutherland (2004) found that career development has a positive and significant effect on employee retention. Similarly, Ongori & Agolla (2009) stated that the lack of career development in the organization will lead to an increase in employees' intention to leave the organization. This means that organizations that provide career development to employees are indirectly related to their work, so employees tend to maintain their jobs to be able to gain broader knowledge.

The influence of career development on job satisfaction at PT. Pegadaian Kanwil I Medan Empolyees

Employee job satisfaction in the company has a big role in achieving the company's goals and objectives that have been set. According to Rivai (2011) career development is an important thing which can optimize employee attitudes towards their work and increase higher job satisfaction. Putri & Kusumastuti (2014) in their research state that career development has a positive and significant effect on employee performance.

The influence of job satisfaction on employee retention at PT. Pegadaian Kanwil I Medan Empolyees

A high employee retention rate indicates that the organization is managed professionally, one of which is the positive behavior of employees towards a good and open management system (Emron & Anwar Yohny, 2016). The higher the job satisfaction, the less likely they are to switch companies (Medina, 2012).

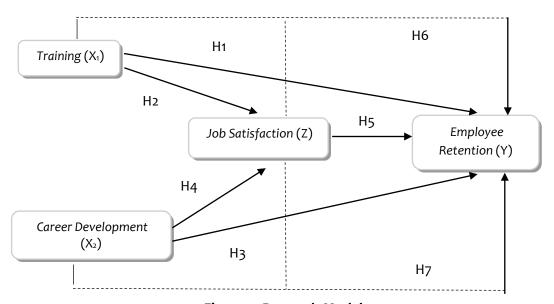


Figure 1. Research Model

Hypothesis

- H.1. Training on employee retention has a positive and significant effect at PT. Pegadaian Kanwil I Medan.
- H.2. Training on job satisfaction has a positive and significant effect at PT. Pegadaian Kanwil I Medan.
- H.3. Career Develompent on employee retention has a positive and significant effect at PT. Pegadaian Kanwil I Medan.
- H.4. Career Develompent on job satisfaction has a positive and significant effect at PT. Pegadaian Kanwil I Medan.
- H.5. Job satisfaction on employee retention has a positive and significant effect at PT. Pegadaian Kanwil I Medan.
- H.6. Training on employee retention through job satisfaction has a positive and significant effect at PT. Pegadaian Kanwil I Medan.

H.7. Career Development on employee retention through job satisfaction has a positive and significant effect at PT. Pegadaian Kanwil I Medan.

METHODOLOGY

This study uses 4 main variables: training (X1) and career development (X2) as independent variables, employee retention (Y) as dependent variable, and job satisfaction (Z) as mediating variable. Wahyuningsih (2019), there are five indicators in training, namely: training, content, methods used, competence of participants and competence of trainers. Veithzal & Sagala (2010) explain five indicators of career development: Equal approach to career development, direct management attention, awareness of motivational opportunities, concern for growth and satisfaction. Mathis & Jackson, (2008) organizational elements, career opportunities, rewards, job design, and employee relations are indicators of employee retention. According to Robbins & Judge, (2015), job satisfaction indicators include work itself, compensation, promotion, supervision, and relationships with coworkers.

The approach applied is a causal/associative approach. The causal approach refers to the causal relationship between the independent and dependent variables, while the associative approach describes the relationship between 2 or more variables without emphasizing causality (Sugiyono, 2019). All employees of PT. Pegadaian Kanwil I Medan participated in this research. Primary information was collected through a questionnaire with a Likert scale. The research population included 60 employees consisting of 28 men and 32 women. This research used a saturated sample procedure, which means that the entire population was studied. This was attempted because the number of employees at PT. Pegadaian Kanwil I Medan is relatively small (Sugiyono, 2019).

Information collection procedures include questionnaires, interviews, and observations. Information analysis was attempted by the method of path analysis using the Partial Least Squares (PLS) structural model, as well as mediation impact analysis supported by the Smart- PLS 3. o application. This research was divided into 2 main sessions: measurement model analysis (outer model) and structural model assessment (inner model).

RESULT Measurement Model Analysis (Outer Model)

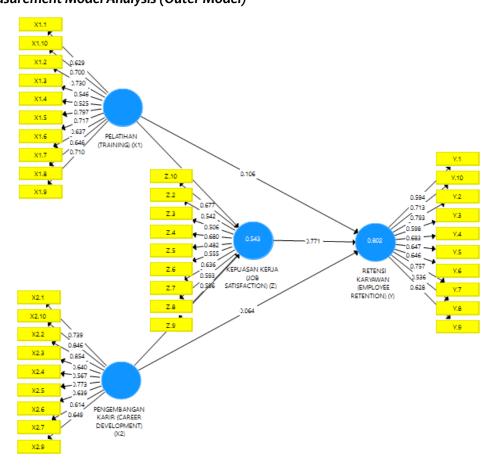


Figure 2. Standardized Loading Factor Inner dan Outer Model Source: Results of data processing using Smart-PLS 3 (2024)

Construct Validity and Reliability

Convergent Validity

Using the reflective index model, the convergent validity of the measurement model is assessed by testing the correlation between the item or component score and the retention factor construct score calculated using PLS. If the correlation with the desired construct is more than 0.5, then the reflective measure is considered high. The results of the PLS SEM model calculation are shown here.

Table 2. Convergent Validity Employee Retention (Y)

rubic in control gene variantly improved necessary (1)					
Indicator	Loadig Factor	Rule of Thumb	Description		
Y1	0.594	0.50	Valid		
Y2	0.793	0.50	Valid		
Y3	0.598	0.50	Valid		
Y4	0.683	0.50	Valid		
Y5	0.647	0.50	Valid		
Y6	0.646	0.50	Valid		
Y7	0.757	0.50	Valid		
Y8	0.536	0.50	Valid		
Y9	0.628	0.50	Valid		
Y10	0.713	0.50	Valid		

Source: Results of data processing using Smart-PLS 3 (2024)

Table 3. Convergent Validity Job Satisfaction (Z)

Indicator	Loadig Factor	Rule of Thumb	Description
Z. 2	0.558	0.50	Valid
Z.4	0.579	0.50	Valid
Z. 6	0.598	0.50	Valid
Z.7	0.660	0.50	Valid
Z. 8	0.657	0.50	Valid
Z.9	0.624	0.50	Valid
Z.10	0.689	0.50	Valid

Source: Results of data processing using Smart-PLS 3 (2024)

Table 4. Convergent Validity Training (X1)

Indicator	Loadig Factor	Rule of Thumb	Description
X1.1	0.642	0.50	Valid
X1.2	0.723	0.50	Valid
X1.3	0.540	0.50	Valid
X1.4	0.537	0.50	Valid
X1.5	0.792	0.50	Valid
X1.6	0.716	0.50	Valid
X1.7	0.627	0.50	Valid
X1.8	0.638	0.50	Valid
X1.9	0.720	0.50	Valid
X1.10	0.694	0.50	Valid
•			

Source: Results of data processing using Smart-PLS 3 (2024)

Table 5. Convergent Validity Career Development (X2)					
Indicator	Loadig Factor	Rule of Thumb	Description		
X2.1	0.743	0.50	Valid		
X2.2	0.854	0.50	Valid		
X2.3	0.636	0.50	Valid		
X2.4	0.560	0.50	Valid		
X2.5	0.780	0.50	Valid		
X2.6	0.634	0.50	Valid		
X2.7	0.608	0.50	Valid		
X2.9	0.655	0.50	Valid		
X2.10	0.846	0.50	Valid		

Source: Results of data processing using Smart-PLS 3 (2024)

Composite Reliability

The reliability of the composite construct is tested by statistics. If the composite reliability value is more than 0.6, the construct has high reliability and is acceptable; if the value is more than 0.8 or 0.9, the construct is highly satisfactory.

Table 6. Result of Composite Reliability

	Composite Reliability
Job Satisfaction (Z)	0.817
Training (X1)	0.888
Career Development (X2)	0.899
Employee Retention (Y)	0.886
· ·	

Source: Results of data processing using Smart-PLS 3 (2024)

Average Variance Extracted (AVE)

The measure that compares the average variance explained by items to the variance caused by measurement error is known as Average Variance Extracted (AVE). By default, a construct has good convergent validity if the AVE value is above 0.5; this means that the latent variable can account for more than half of the differences between its indicators. However, if the AVE value is less than 0.5 and the composite reliability is more than 0.6, the convergent validity of the construct is still sufficient, according to (Fornell & Larcker, 1981).

Table 7. Result of Average Variance Extracted (AVE)

	Average Variance Extracted
Job Satisfaction) (Z)	0.319
Training) (X1)	0.446
Career Development) (X2)	0.503
Employee Retention) (Y)	0.441

Source: Results of data processing using Smart-PLS 3 (2024)

Discriminant Validity

Discriminant validity refers to how much a construct is different from others or unique. The heretroit-monotrait ratic value (HTMT) is the latest measurement standard. A construct has good discriminant validity if the HTMT value is less than 0.90. (Juliandi, 2018).

Table 8. Result of Discriminant Validity

	Discriminant Validity				
	Job Satisfaction (Z)	Training (X1)	Career Development (X2)	Employee Retention (Y)	
Job Satisfaction					
(Z)					
Training (X1)	0.769				
Career	0.839	0.923			
Development					
(X2)					
Employee	1.116	0.758	0.788		
Retention (Y)					

Source: Results of data processing using Smart-PLS 3 (2024)

Structural Model Analysist (Inner Model)

The path coefficient can be used to see the significance of the influence between constructs. The sign of the path coefficient must meet the expected requirements of the theory. To determine how significant the significance of the path coefficient is, the t test, which is obtained from the resampling method, can be used.

R-squared can be adjusted to measure the proportion of variation between the dependent variable and the independent variable. This is the best model for its quality (Juliandi, 2018), the R-Square criteria are: (1). if the R2 (adjusted) value = 0.75, the model is considered substantial (strong). (2). If the R2 (adjusted) value = 0.50, the model is considered moderate (medium). (3). If the R2 (adjusted) value = 0.25, the model is considered weak (poor).

Table 9. R-Square

	R-Square	R-Square Adjusted
Job Satisfaction	0.518	0.501
Employee Retention	0.847	0.838

Source: Results of data processing using Smart-PLS 3 (2024)

The F- Square criterion is a dimension used to calculate the relative effect between the influencing variables and the influenced variables. When certain exogenous variables are removed from the model, F- Square can be used to evaluate whether the removal of

these variables has a significant effect on endogenous constructs (Juliandi, 2018). The F-Square criteria are: (1). If the value of F2 = 0. 02, it means that there is little impact of exogenous variables on endogenous variables. (2). When the F2 value = 0. 15, it means a moderate impact of exogenous variables on endogenous variables. (3). When the F2 value = 0. 35, it means a large impact of the exogenous variable on the endogenous variable.

Tab	le	10.	F-Sc	quare
-----	----	-----	------	-------

	F-Square				
	Job Satisfaction (Z)	Training (X1)	Career Development (X2)	Employee Retention (Y)	
Job Satisfaction (Z)				2.069	
Training (X1)	0.057			0.043	
Career Development (X2)	0.189			0.001	
Employee					
Retention (Y)					

Source: Results of data processing using Smart-PLS 3 (2024)

The aim of direct impact analysis is to evaluate the hypothesis regarding the direct effect of the influencing variable on the influenced variable (Juliandi, 2018). The significance (P-value) is assessed based on the following criteria: (1). If the P-value is less than 0.05, the effect is significant. (2). If the P-value is greater than 0.05, the effect is not significant.

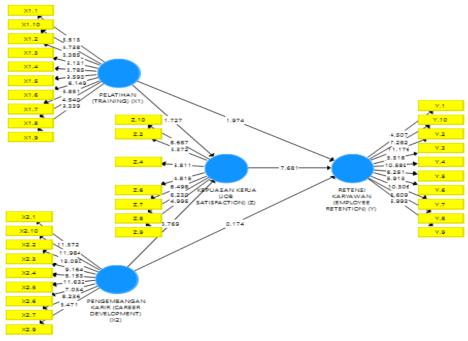


Figure 3. Result after Bootstrapping
Source: Results of data processing using Smart-PLS 3 (2024)

Table 11. Dirrect Effect					
	Original Sample (o)	Sample Mean (M)	Standart Deviation (STDEV)	T Statistics (o/STERR)	P- Value
Job Satisfaction (Z) => Employee Retention (Y)	0.811	0.803	0.106	7.681	0.000
Training (X1) => Job Satisfaction (Z)	0.269	0.266	0.156	1.727	0.089
Training (X1) => Employee Retention (Y)	0.139	0.142	0.069	1.974	0.053
Career Development (X2) => Job Satisfaction (Z)	0.489	0.503	0.130	3.769	0.000
Career Development (X2) => Employee Retention (Y)	0.019	0.031	0.112	0.174	0.862

Source: Results of data processing using Smart-PLS 3 (2024)

Indirect impact analysis is used to test the hypothesis of overriding the indirect effect of the independent variable on the dependent variable mediated by the intermediate variable. The criteria for this analysis are: (1). If the P-value is smaller than 0. 05, the result is significant, which means that the mediator variable mediates the effect of the exogenous variable on the endogenous variable, showing the existence of an indirect effect. (2). If the P-value is greater than 0. 05, the result is insignificant, which means that the mediator variable does not mediate the effect of exogenous variables on endogenous variables, displaying the presence of a direct effect (Juliandi, 2018).

Tabel 12. Indirrect Effect

	Original Sample (o)	Sample Mean (M)	Standart Deviation (STDEV)	T Statistics (o/STERR)	P-Value
Training (X1) => Job Satisfaction (Z) => Employee Retention (Y)	0.218	0.214	0.125	1.749	0.085
Career Development (X2) => Job Satisfaction (Z) => Employee Retention (Y)	0.396	0.402	0.109	3.642	0.001

Source: Results of data processing using Smart-PLS 3 (2024)

DISCUSSION

The influence of Training on Employee Retention

The training variable (X1) has a positive and significant effect on employee retention (Y). This study also shows that training has a significant effect on employee retention. The results of this study also support research conducted by Urbani et al, (2023) whose results show that training has a positive and significant effect on employee retention. The results of statistical analysis show that the relationship between training variables and employee retention is highly significant.

Training has a real influence in influencing the level of employee retention in the organization. Adequate training can improve employees' skills and knowledge, which in turn will increase their job satisfaction and loyalty. Employees feel more valued and motivated when given training opportunities, which makes them more committed to the company. Overall, these findings suggest that training is a useful HR management method to improve employee retention. By providing relevant and continuous training, companies can create a productive, stable and harmonious work environment. Ultimately, this will help the company remain stable and successful in the long run.

The influence of Training on Job Satisfaction

The results showed that the training variable (X1) on job satisfaction (Z) had an effect but was not significant. So that the hypothesis proposed in this study is rejected. The results of this study also support research conducted by Mundingsari et al., (2019) which found that training has a positive but insignificant effect on employee job satisfaction. According to this study, there is a relationship between job satisfaction and training variables. However, the results of statistical tests show that this relationship cannot be said to be statistically significant in other words, the training provided has not been able to significantly increase employee job satisfaction.

Based on the interview results, some employees felt that the training provided was quite helpful in improving their skills and knowledge. However, since the effect is not significant, there may be other factors that are more dominant in influencing job satisfaction, such as work environment, recognition, or broader career development opportunities. Thus, although training has the potential to increase job satisfaction, companies need to consider adjusting or improving training programs so that the impact is more significant and felt by employees. Training that is more relevant and suited to employees' needs can help increase their job satisfaction more effectively.

The influence of Career Development on Employee Retention

The results of this study indicate that the career development (X_2) variable has a positive and insignificant effect on employee retention (Y). So that the hypothesis proposed in this study is rejected. The results of this study are also in line with research conducted by

(Al-sharafi, 2018) whose results show that career development has a positive but insignificant effect on employee retention.

Employees feel that the career development offered by the company helps them see long-term growth opportunities. However, because the effect is not significant, it is possible that other factors such as work culture, compensation, and work-life balance are more dominant in influencing employee retention. Thus, although career development has the potential to influence employee retention, companies need to reevaluate and possibly adjust career development programs to be more effective and in line with employee needs. A more holistic approach that integrates the various factors that influence employee retention may be more successful in substantially increasing retention.

The influence of Career Development on Job Satisfaction

The results of this study are career development (X2) variables on job satisfaction (Y) have a positive and significant influence. Career development has a significant effect on job satisfaction, indicating that there is a statistically significant relationship between career development and job satisfaction. The results of this study are also in line with and support research conducted by (Wirayudha & Adnyani, 2020).

This shows that career advancement has a significant function in increasing job satisfaction in the workplace. Employees feel that internal career development opportunities increase motivation and job satisfaction. Opportunities for growth and career advancement make employees feel valued and recognized for their contributions, which in turn increases job satisfaction. Overall, these findings highlight the importance of career development as an efficient human resource management strategy to increase employee satisfaction. With a clear and unvarying career development plan, industries can create a more attractive and satisfying workplace for employees.

The influence of Job Satisfaction on Employee Retention

The results of this study indicate that the job satisfaction variable (Z) has a positive and significant effect on employee retention (Y). This shows that job satisfaction is a significant aspect in ensuring how long an employee stays in the industry. The results of this study are in line with the theory put forward by (Robbins, 2006).

The greater the level of job satisfaction of employees, the more likely they are to remain in the organization. Those who are satisfied with their jobs are more likely to keep their jobs in the industry. Factors such as a positive work environment, performance recognition, and career development opportunities all contribute to high job satisfaction, which in turn increases employee retention. Overall, these findings emphasize the value of creating a supportive and fulfilling workplace for employees to improve retention. Organizations that focus on improving job satisfaction through

various initiatives and programs can achieve greater retention rates and a more normal workforce.

The influence of Training on Employee Retention through Job Satisfaction

The results showed that there is an indirect effect of training variables (X1) on employee retention (Y) through job satisfaction (Z) is not statistically significant. So job satisfaction does not mediate the relationship between training and employee retention. So that the hypothesis proposed in this study is rejected. The results of this study also support research conducted by Terera & Ngirande, (2014) whose results show that there is no significant relationship between training and employee retention. However, there is a significant positive relationship between employee job satisfaction and retention.

Job satisfaction is not the only link between training and employee retention. Although training can increase job satisfaction, it is not strong enough to influence employee retention. Other factors such as career opportunities, compensation, and work culture may have a more significant role in an employee's decision to stay or leave the company. Therefore, companies should adopt a more comprehensive approach and not only focus on training, but also pay attention to various other factors that affect employee satisfaction and retention.

The influence of Career Development on Employee Retention through Job Satisfaction

The results of this study indicate that there is an indirect effect of career development (X1) on employee retention (Y) through job satisfaction (Z), which indicates that job satisfaction mediates the relationship between career development and employee retention. The results of this study are in line with and support research conducted by (Wirayudha & Adnyani, 2020). This means that career development has a significant influence on employee retention through job satisfaction.

Efficient career development not only directly improves employee retention but also increases employee job satisfaction. Greater job satisfaction then contributes to increased employee retention. This suggests that a good career development program can increase job satisfaction, which in turn makes employees more likely to stay in the industry. Employees want to feel that opportunities for growth and advancement greatly increase their job satisfaction. When employees feel satisfied with their career development, they are more likely to feel attached to the industry and choose to continue working there. Overall, these findings emphasize the value of career development as a key aspect of employee retention strategies. Industries that focus on providing clear and satisfying career development paths can increase employee job satisfaction, which in turn increases employee retention.

CONCLUSION

This research shows that training and career development significantly affect employee retention, with job satisfaction as a mediator. Training was shown to improve employee retention, although its effect on job satisfaction was not statistically significant. In contrast, career development does not directly improve employee retention but is able to increase job satisfaction. Employees who see opportunities for career development tend to be more satisfied with their jobs and are more likely to stay with the company longer. In addition, job satisfaction has a significant impact on employee retention: employees who are satisfied with their jobs tend to be more loyal and stay longer in the company. However, job satisfaction does not mediate the relationship between training and employee retention; instead, job satisfaction links career development to employee retention. Effective career development increases job satisfaction, which in turn supports employee retention. In other words, employees will be happier and more likely to stay with the company if they feel they have opportunities to develop their careers.

Research Implications and Limitations

This study underscores the importance of investing in training and career development programs to improve employee retention. Companies should focus on creating clear and meaningful career development opportunities to increase job satisfaction and, ultimately, reduce turnover rates.

This study has several limitations, including sample coverage that may not represent the entire population of employees in various industries. In addition, the data collection method used may have resulted in respondent bias. This study also did not consider other variables that may affect employee retention, such as organizational factors or work environment.

Recommendations

For future research, it is recommended to expand the sample coverage and consider additional variables that may affect employee retention. In addition, the use of more diverse and complex research methods, such as longitudinal studies or mixed methods, could provide deeper insights into the dynamics between training, career development, job satisfaction, and employee retention. Further research could also explore the role of other moderating variables, such as organizational culture or leadership style, in the relationship between training, career development, and employee retention.

REFERENCES

- Abba, M. T. (2018). Effects of training and development on employee retention in Bauchi State Metropolis Banks. *Operational Research*, 4(1), 24–39.
- Al-sharafi, H. (2018). The Effect of Training and Career Development on Employees Retention –A Study on the Telecommunication Organizations in Yemen. *The Journal of Social Sciences Research*, SPI 2, 420–430. https://doi.org/10.32861/jssr.spi2.420.430.
- Blanchard, P., & Thacker, J. (2013). Effective Training. Pearson.
- Busro, M. (2018). Teori-Teori Manajemen Sumber Daya Manusia. Prenadameidia Group.
- Emron, E., & Anwar Yohny, K. I. (2016). Manajemen Sumber Daya Manusia: Strategi Dan Perubahan Dalam Rangka Meningkatkan Kinerja Pegawai Dan Organisasi (Cet 1). Alfabeta.
- Fornell, C., & Larcker, D. (1981). Mengevaluasi model persamaan struktural dengan variabel yang tidak dapat diamati dan kesalahan pengukuran. *Jurnal Penelitian Pemasaran*, 18(1), 39–50.
- Gomez-Mejia, L.R., et al. (2001). The Role of Family Ties in Agency Contracts. Academy of Management Journal, 44, 81–95. https://doi.org/https://doi.org/10.2307/3069338
- Haider, M., Rasli, A., Akhtar, C. S., Yusoff, R. B. M., Malik, O. M., Aamir, A., Arif, A., Naveed, S., & Tariq, F. (2015). The Impact Of Human Resource Practices On Employee Retention In The Telecom Sector. *International Journal Of Economics And Financial Issues*, 5(2), 63–69.
- Handoko, T. H. (2012). Manajemen Personalia dan Sumber Daya Manusia. BPFE.
- Hartono, B., & Setiawan, R. (2013). Pengaruh Komitmen Organisasional Terhadap Kepuasan Kerja Karyawan Paparon's Pizza City Of Tomorrow. *Agora*, 1(1), 1–8.
- Ikhwanto, J. & Amir, M. (2015) Hubungan Antara Kepuasan Kerja Dengan Intensi Turnover Pada Karyawan. *Skripsi thesis*, Universitas Muhammadiyah Surakarta.
- Juliandi, A. (2018). Structural equation model based partial least square (SEM-PLS): Menggunakan SmartPLS. Jurnal Pelatihan SEM-PLS Program Pascasarjana Universitas Batam. https://doi.org/https://doi.org/10.5281/zenodo.1243777
- Kawania, I. G. P. (2020). Manajemen Sumber Daya Manusia "MSDM" Perusahaan. Unhi Press.
- Kwenin, D. O. (2013). Relationship Between Work Environment, Carrer Development Opportunities and Employee Retention in Vodafone Ghana Limited. *Global Jurnal of Human Resoirces Management.*, 1(4), 1–9.
- Marliyah, Yafiz, M., Dharma, B., & Syarbani, A. M. B (2022). 'Amid: Islamic Integrative Approach as Survey Model. Indonesian Journal of Islamic Literature and Muslim

- Society, 7(1), 17-32.
- Mathis, R. L., & Jackson, J. H. (2008). Manajemen Sumber Daya Manusia. Selemba Empat.
- Mathis, R. L., Jackson, J. H., & Angelica, D. (2006). Human Resource Management, (10th ed.). Selemba Empat.
- Medina, E. (2012). Lizmedina_Qmss_Thesis (Pp. 1–44).
- Meyer, P. ., & Smith, A. C. (2000). HRM Practices and Organizational Commitment: Test of a Mediation Model. *Canadian Journal of Administrative Sciences*, 17, 319–331.
- Mundingsari, K. M., Sularso, R. A., & Susanto, A. B. (2019). The effect of training and competence on the performance of laboratory assistant through job satisfaction as intervening variable. *International Journal of Scientific and Technology Research*, 8(10), 59–62.
- Neog, B. B., & Barua, M. (2015). Factors Affecting Employee's Retention in Automobile Service Workshops of Assam: An Empirical Study. The SIJ Transactions on Industrial, Financial & Business Management, 3(1), 9–18.
- Nurbaiti, N., Asmuni, A., Soemitra, A., Imsar, I., & Aisyah, S. (2023). Behavior analysis of MSMEs in Indonesia using fintech lending comparative study between sharia fintech lending and conventional fintech lending. JPPI (Jurnal Penelitian Pendidikan Indonesia), 9(4), 92. https://doi.org/10.29210/020232273
- Nurmalitasari, S., & Andriyani. (2021). Kepuasan Kerja Sebagai Variabel Pemediasi (Studi Pada Karyawan Tetap Pt. Bpr Restu Artha Makmur Kota Semarang). *Diponegoro Journal Of Management*, 10(3), 1–15. http://ejournal-s1.undip.ac.id/Index.Php/Dbr
- Nurul, C. A., Soemitra, A., & Mardhiah, A. (2020). Determinant Perception Ease of Use, Effectiveness and Risk on The Interest of Transacting Using Financial Technology (Fintech) in Medan City Community. *Journal of Management and Business Innovations*, 01, 2, 41-47.
- Ongori, H., & Agolla, J. E. (2009). Paradigm Shift in Managing Career Plateau in Organization: The Best Strategy to Minimize Employee Intention to Quit. African Journal of Business Management, 3(6), 268–271.
- Oyoo, M. O., Mwandihi, N. K., & Musiega, D. (2016). Influence of Reward Systems on Employee Retention in Faith Based Health Organizations in Kenya: A Case of Mukumu Hospital, Kenya. International Journal of Commerce and Management Research, 2(10), 42–51.
- Putri, E. N., & Kusumastuti., R. (2014). Pengaruh pengembangan karir terhadap kepuasan Kerja Pegawai Tetap Direktorat Human Resources Development Di Kantor Pusat Pt Pertamina (Persero). Junal Ilmu Adminsitrasi Negara, 1–20.
- Rivai, V. (2011). Manajemen Sumber Daya Manusia untuk Perusahaan. PT. Rajagrafindo Persada.

- Robbins, S. P. (2006). Perilaku Organisasi (10th ed.). PT. Indeks.
- Robbins, S. P., & Judge, T. A. (2015). Organizational Behavior (16th ed.). Selemba Empat.
- Sari, E., & Sinulingga, J. (2011). Pengaruh Pengembangan Karir Dan Kompensasi Terhadap Motivasi Karyawan. *Jurnal Ilmiah Penelitian Manajemen Manajerial*, 2(1), 431–440.
- Shaito, F. (2019). Career development: An overview. Research Gate, 14(April). https://doi.org/https://doi.org/10.13140/RG.2.2.14081.81760
- Sharma, S., & Taneja, M. (2018). The Effect Of Training On Employee Performance. International Journal Of Recent Technology And Engineering, 7(4), 6–13. https://doi.org/10.36555/Almana.V4i3.1477
- Siregar, R., Ritonga, P., & Sumitra, A. (2022). Professional Ethics and Responsibilities for Business Valuation, Business Ownership Interest, Security, or Intangible Assets in Pharmaceutical Companies. *Journal of Pharmaceutical*, 13(9), 1572–1576. https://doi.org/10.47750/pnr.2022.13.Sog.193
- Sitepu, L. E. B., & Kamilah, K. (2021). Analisis Motivasi Kerja dan Disiplin Kerja terhadap Kinerja Karyawan pada Kantor Jasa Akuntan PT Eriadi Fatkhur Rokhman Medan. *Jurnal Pendidikan Tambusai*, 5(3), 8311–8318.
- Sugiyono. (2019). Metodelogi Penelitian Kuantitatif dan Kualitatif Dan R&D. ALFABETA.
- Sullivan, S. E., & Baruch, Y. (2009). Advances in career theory and research: A critical review and agenda for future exploration. *Journal of Management*, 35(6), 1542–1571. https://doi.org/https://doi.org/10.1177/0149206309350082
- Sumarni, M. (2011). Pengaruh Employe Retention Terhadap Turnover Intention dan Kinerja Karyawan. *Akmenika UPY*, 8, 20–47.
- Sutherland. (2004). Factors Affecting the Retention of Knowledge Workers. *Journal of Human Resource Management*, 2(2), 55–64.
- Terera, S. R., & Ngirande, H. (2014). The Impact of Training on Employee Job Satisfaction and Retention among Administrative Staff Members: A Case of a Selected Tertiary Institution. *Journal of Social Sciences*, 39(1), 43–50.
- Urbani, W. P., Gunawan, A. W., & Mahardika, S. P. (2023). Pengaruh Training and Development Terhadap Employee Retention Yang Dimediasi Oleh Job Satisfaction Pada Karyawan Perbankan. *Jurnal Ekonomi Trisakti*, 3(2), 2185–2194. https://doi.org/10.25105/jet.v3i2.16873
- Veithzal, R., & Sagala, J. (2010). Manajemen Sumber Daya Manusia Untuk Perusahaan (2nd ed.). Rajawali Pers.
- Wahyuningsih, S. (2019). Pengaruh Pelatihan Dalam Meningkatkan Produktivitas Kerja Karyawan. Universitas Dharmawangsa Jurnal Warta Edisi: 60, April, 1–16.

The Influence of Training and Career Development on Employee Retention.....

- https://www.neliti.com/publications/290687/pengaruh-pelatihan-dalam-meningkatkan-produktivitas-kerja-karyawan
- Wirayudha, C. A., & Adnyani, I. G. A. D. (2020). Kompensasi Dan Pengembangan Karir Berpengaruh Terhadap Kepuasan Kerja Dan Retensi Karyawan BPR LESTARI. *E-Jurnal Manajemen Unud*, 9(5), 1676–1695.
- Yamamoto, H. (2013). The Relationship Between Employees' Perceptions Of Human Resource Management And Their Retention: From The Viewpoint Of Attitudes Toward Jobspecialties. *International Journal Of Human Resource Management*, 24(4), 747–767. https://doi.org/10.1080/09585192.2012.697478