THE EFFECT OF COMPENSATION AND JOB SATISFACTION ON EMPLOYEE COMMITMENT AND LABOR TURNOVERAT PT. PARTNERS ATEDA SELARAS PANGKALAN KERINCI

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ABSTRACT

This study aims to determine the effect of compensation and job satisfaction on worker commitment, to determine the effect of compensation and job satisfaction on workers' labor turnover, to determine the effect of compensation and job satisfaction on worker's labor turnover through commitment and to determine the effect of commitment to worker's labor turnover through commitment. . The population in this study were all workers of PT. Partners Ateda Selaras, a total of 118 people. While the sample used as many as 118 people. The data used in this study were primary data and secondary data, while the data collection technique used a questionnaire. The data analysis technique used in this study is the data analysis used in this study is SEM. The results showed that compensation and satisfaction had an effect on employee commitment. Compensation and job satisfaction have an effect on employee labor turnover. Employee commitment has a significant effect on employee labor turnover. Compensation has a significant effect on employee labor turnover through employee commitment. Satisfaction has a significant effect on employee labor turnover through employee commitment.
Keywords: Compensation, Job Satisfaction, Employee Commitment and Labor Turnover

INTRODUCTION

Every company is required to have good management. A good company management can certainly increase the effectiveness of the company. Like human resources which is one important factor and has a big role in a company. One strategy that can be taken is to form human resources (HR) that are able to work together.

Human Resource Management is very important and is the focus of many organizations in achieving competitive advantage. Human Resources is a resource that has many advantages compared to other resources in an organization or company. Without Human Resources the company will have no meaning, even though the company has various other resources such as new machines, lots of capital, energy, lots of raw materials, and so on, everything will be in vain if it is not managed and run properly. by Human Resources. The problem of limited Human Resources (HR) and competition is the main obstacle to the company's growth.

PT. Mitra Ateda Selaras is located at the address Jl. Lintas Timur Pangkalan Kerinci engaged in the growing Nursery Industry with main services in: Designing, consulting, costing (budgeting), fabrication, installation (supervision), service and maintenance (or with service contracts) of forestry, agriculture, horticulture, estates, recreation centers, landscaping facilities and golf courses. In this study the focus is on agriculture, where in agriculture there are employees who are specifically in the field who are in charge of planting Acacia Tree seeds. For employees on duty in the field themselves who have work contracts with permanent and daily status, this research focuses on permanent employees, which from field monitoring in recent years PT. *turnovers*is the termination or withdrawal of an employee from the place where he works Nurlaila (2014: 9). Turnover in the business world is a natural thing, but it can be an

indication of problems for the company if there is high employee turnover. Companies that have high turnover must incur greater costs in recruiting, selecting and training new employees, of course this will affect the company's financial performance. Costs arising from high turnover will burden the company and have an impact on the company's performance both financially and non-financially. Apart from the cost factor, Robbins (2012) also explains that the high rate of employee turnover can disrupt the efficiency of company management. because employees who have experience and skills who leave the company can disrupt the running of the company. To see the development of employee turnover at PT. Mitra Ateda Selaras Pangkalan Kerinci can be seen in the following table:

Table 1 Data Report on the Number of Employees for 2016-2020

Year	Number of Initial Employees	Employee Login	Employee Exits	Number of Final Employees	LTO (%)
2016	135	18	14	139	10.2%
2017	139	16	15	140	10.8%
2018	140	15	19	136	13.8%
2019	136	16	20	132	14.9%
2020	132	17	31	118	24.8%

Source: PT. Mitra Ateda Selaras Pangkalan Kerinci, 2021

Table 1 shows that the data provided by the company's management, namely the turnover data for the number of employees in the last five years, tends to increase every year, even exceeding the ideal standard of a company, in which employee turnover is said to be normal if it only reaches 10%. Of course this will have an impact on the company. With a high turnover rate in companies, it will cause more and more potential costs, both training costs that have been invested in employees, the level of performance that must be sacrificed, as well as recruitment and retraining costs. The high rate of labor turnover can be predicted from how much the desire to move has members (staff) of an organization or company.

Labor turnover has a huge impact on the company, namely it can reduce production targets because the workers who leave are skilled workers, and usually one section is carried out by 20 members and 1 person must be able to complete 35 trays of seeds in one day while due to workers who leaving resulted in reduced seeds being produced. To recruit new workers had to take more than a month, because making ID Badges so they could work at the company took a month, and new workers had to be given training for a month.

Factors that can have an impact on turnover is commitment. Luthans, (2015: 217) defines commitment as a worker's strong desire to maintain his position as a member of the organization where he works, the desire to try hard to be part of the organization, and a strong belief in accepting the values and goals that exist in the organization. Research conducted by Antari (2019) found that employee commitment has a negative effect on employee turnover. In contrast to research by Sartika (2014), which states that commitment has no effect on employee turnover.

PT. Mitra Ateda Selaras Pangkalan Kerinci towards the organization can be seen from the attitude of the employees who want to always be there in every job given by the company and will work as optimally as possible in meeting the targets that have been set, which in this case is fulfilling the target in planting acacia tree seeds. For more details can be seen in the following table:

Table 2. Recapitulation of Targets and Realization of Planting Acacia Tree Seeds at PT. Mitra Ateda
Selaras Pangkalan Kerinci 2016-2020

Year	Target	Realization	%
2016	1,175,000	888,418	75.61%
2017	1,270,000	888,746	69.98%
2018	1,329,000	867,173	65.25%
2019	1,475,400	917551	62.19%
2020	1,575,000	940118	59.69%

*Source:*PT. Mitra Ateda Selaras Pangkalan Kerinci, 2021

Based on Table 2 above, it can be seen that the target of planting acacia tree seedlings given by the company to its employees in the last five years has never been realized by the company. This indicates a weak employee commitment to the company because they do not want to work harder to achieve the targets that have been given to them.

Compensation that can meet the needs of employees will certainly make employees work well in carrying out the tasks assigned to them. To see the level of employee satisfaction can be seen from the income they earn, for more details can be seen in the following table:

Table 3 Salaries of PT. Partners Ateda Selaras Pangkalan Kerinci Year 2018-20   20

Year	Number of employees	Basic salary	Allowances	Amount
2018	136	1,975,000	894,000	2,869,000
2018	132	2,050,000	915,000	2,965,000
2020	118	2,080,000	925,000	3,005,000

Source: PT. Mitra Ateda Selaras Pangkalan Kerinci, 2021

From Table 3, it shows that the total salary of employees received in the last three years has not increased significantly while the jobs provided have continued to increase, even though the salary provided is in accordance with the Riau District/City Minimum Wage (UMK) stipulated by Decree of the Governor of Riau Number: Kpts.1581/XI/2020, namely for Pelalawan RegencyIDR 3,002,383.Even though the income they get is in accordance with the stipulated UMK, it is not enough to meet their daily needs and also on the monthly salary there is a 3% deduction for BPJS health, employment and pension security. That is the reason why many workers resign from companies.

In addition to compensation, job satisfaction also has an impact on commitment. Job satisfaction is a positive feeling about one's job which is the result of an evaluation of its characteristics. Job satisfaction is the level of individual satisfaction that they get rewarded fairly from various aspects of the work situation of the organization where they work.

From the results of interviews obtained from several workers at PT. Mitra Ateda Selaras, the workers complained that they felt dissatisfied at work because they could not meet the predetermined daily targets and caused their income to decrease, the reason they could not meet the targets was because not all of the seeds sent well, when selecting seeds takes a long time.

Based on the problems above, the author's interest in researching this problem arises in scientific research entitled:**"The Influence of Compensation and Job Satisfaction on Worker Commitment and Labor Turnover in PT. Mitra Ateda Selaras Workers, Pangkalan Kerinci City"**

Research purposes
In accordance with the problems raised in the formulation of the problem above, the objectives of this research are as follows: 1) To determine the effect of compensation on labor turnover of workers at PT.Mitra Ateda Selaras. 2) To determine the effect of job satisfaction on

employee commitment at PT.Mitra Ateda Selaras. 3) To determine the effect of compensation on the commitment of employees of PT.Mitra Ateda Selaras. 4) To determine the effect of job satisfaction on labor turnover of workers at PT.Mitra Ateda Selaras. 5) To determine the effect of compensation on labor turnover of workers through commitment to PT.Mitra Ateda Selaras. 6) To determine the effect of job satisfaction on labor turnover of workers through commitment to PT. Mitra Ateda Selaras 7) To determine the effect of commitment to labor turnover of workers through commitment to PT.

LITERATURE REVIEW
Labor Turnover
Definition of Labor Turnover

Employee Turnover (*Labor Turnover*) is the entry and exit of employees from one company to work in another company Handoko (2010:119). Employee turnover (Labor Turnover) is a comparison between the entry and termination of employees from the company Hasibuan (2012:64). Meanwhile, according to Simamora (2014: 152) employee turnover or labor turnover is the level of movement of employees beyond the membership limit of an organization.

According to Umar (2005: 119) in his book "Human resource research in organizations" Labor Turnover is employees who leave the company to work in other companies, this is certainly a special challenge for human resource development, because these events cannot be predicted. , development activities must prepare at any time for replacement employees who leave, on the other hand in many real cases, very good company development programs actually increase labor turnover (LTO).

Harnoto (2014: 2) states that Turnover is the level or intensity of the desire to leave the company. Meanwhile, according to Lia (2009) Labor turnover is the desire or intention to quit his job. Another understanding is conveyed by Bluedorn (2011) which states that Labor turnover is an attitude tendency or the level at which an employee has the possibility to leave the organization or resign voluntarily from his job.

From some of the meanings regarding labor turnover above, it can be concluded that it is the desire of an employee to leave or resign from their job with a company that has not been manifested in the act of leaving the company.

Employee Commitment

According to the opinion expressed by Luthans (2015: 217) employee commitment is an attitude that reflects employee loyalty to their organization and an ongoing process in which employees express their concern for the organization. Dessler (2000) in Elshifa (2018:28) employee commitment can be defined as the relative strength of individual identification with the organization.

Edison, Anwar and Komariyah (2017) state that commitment is an emotional boost in a positive sense. Where employees who want to advance their careers and are committed to pursuing excellence and achieving achievements to improve competence. Sutrisno (2011: 296) commitment is an attitude of employee loyalty to the organization and is also a process of expressing concern and participation in the organization. Employees who have high loyalty will maintain the good name of the company and also try to improve the company's image by improving performance. Sunarto (2008: 25) employee commitment is love and loyalty which consists of unification with the goals and values of the company, the desire to remain in the employees and the willingness to work hard on behalf of the company.

Robbins and Judge (2010) define commitment as a situation in which an individual sided with the organization and its goals and desire to maintain its membership in the organization. (Sopiah, 2010) defines employee commitment as the degree to which employees

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believe and want to accept organizational goals and will stay or will not leave the organization). Meanwhile, on the other hand, Gibson (2010: 148) defines employee commitment as an attitude related to employee loyalty to the organization and is an ongoing process for members of the organization to express concern for the organization and this continues to success and prosperity.

From these definitions it can be concluded that employee commitment is how loyal an employee is to the organization, as indicated by the desire to work optimally and will stay or will not leave the organization.

Compensation

Compensation is an important factor and is of concern to many organizations in maintaining and attracting quality human resources. Various organizations compete to obtain quality human resources, because the quality of the work is determined by the competence of the human resources. This reason makes many organizations spend relatively large amounts of funds to develop their human resources in order to have compensation as needed, Bangun (in Kadarisman, 2012:43).

According to Handoko (2011: 155) Compensation is everything that employees receive as remuneration for their work. The issue of compensation is the most difficult and confusing function of personnel management. Compensation is important for employees as individuals because the amount of compensation reflects the size of the value of their work among employees, their families and society.

Wibowo (2011: 348) argues that compensation is a counter-performance to the use of labor or services that have been provided by the workforce. Wibowo also said that compensation is the number of packages offered by the organization to workers in return for using their workforce.

Job satisfaction

According to Suwarno and Donni Juni Priansa (2011: 263), "job satisfaction is the way individuals feel about their work resulting from the individual's attitude towards the various aspects contained in the job". A similar understanding was also put forward by Wibowo (2011: 501), namely "job satisfaction is the positive or negative degree of one's feelings about various aspects of work tasks, workplace and relationships with fellow workers".

Hani Handoko (2011: 193) argues that "job satisfaction is a pleasant or unpleasant emotional state with which employees perceive their work". This feeling is a reflection of the adjustment between what is obtained and what is expected.

Meanwhile, according to Hasibuan (2013: 202), "job satisfaction is a pleasant emotional attitude and loves his job. This attitude is reflected by work morale, discipline, and work performance.

Based on several opinions about the notion of job satisfaction, it can be concluded that job satisfaction is the way an individual feels the job resulting from the individual's attitude towards the various aspects contained in the job.

Research Framework

Based on the theory that has been obtained, the researcher compiled the research framework as follows:
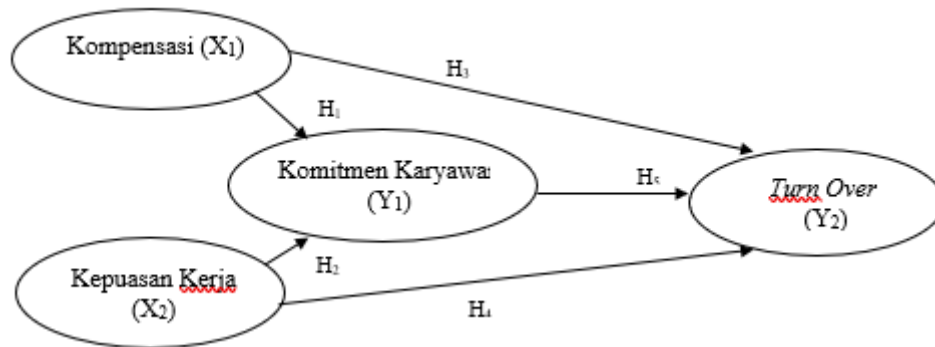

Figure 1 Research Model

hypothesis

Based on the theory described above, the hypotheses in this study include:

1. Compensation affects the commitment of employees of PT.Mitra Ateda Selaras
2. Job satisfaction affects the commitment of employees at PT Mitra Ateda Selaras
3. Compensation affects the labor turnover of PT.Mitra Ateda Selaras workers
4. Job satisfaction affects the labor turnover of PT.Mitra Ateda Selaras employees
5. Compensation affects the labor turnover of workers through commitment to PT.Mitra Ateda Selaras
6. Job satisfaction affects labor turnover of workers through commitment to PT.Mitra Ateda Selaras
7. Commitment affects the labor turnover of workers through a commitment to PT.Mitra Ateda Selaras

RESEARCH METHODS

Research Approach

The research approach is a research design that is used as a guide in carrying out the research process. The research design will be useful for the parties involved in the research process. According to Nazir (2012) research design is: "All the processes needed in planning and conducting research." From the description above, it can be said that research design is all research processes carried out by the author in carrying out research starting from planning to carrying out research conducted at a certain time.

This study uses a quantitative design with path analysis. Path analysis (path analysis) is used if in theory the researcher is sure that the analysis has a causal effect pattern. This path analysis technique will be used in testing how much contribution is shown by the path coefficient in each path diagram from the causal relationship between variables X1 and X2 to Y and its impact on Z. Basically the path coefficient (path) is a standardized regression coefficient namely the regression coefficient calculated from the database that has been set. (Ridwan and Kuncoro, 2013:115)

Place and time of research

This research was conducted at PT.Mitra Ateda Selaras, Pangkalan Kerinci City. This research was conducted in March 2021 until completion.

Data Types and Sources

Primary data is data obtained directly from the object of research. Primary data in this

study were obtained through a questionnaire given directly to respondents regarding the effect of compensation and job satisfaction on labor turnover at PT. Mitra Ateda Selaras

According to Sugiyono (2013: 220) Secondary data is all data obtained indirectly from the object under study. Data obtained from parties related to this research, namely through information that is appropriate to the problem being studied and also literature studies to help find theories that support this research.

Population and Sampling Techniques
Population

Sugiyono (2013: 90) states that the population is a generalization area consisting of objects/subjects that have certain quantities and characteristics set by researchers to study and then draw conclusions. From this understanding it can be interpreted that what becomesThe population in this study were all employees of PT Mitra Ateda Selaras, totaling 118 people.

Sampling technique

According to Sugiyono (2013: 120) the sample is part of the number and characteristics possessed by the population. The sampling method used in this study is the saturated sampling method (census method), which is a sample collection technique when all members of the population are used as samples according to Sugiyono (2013: 121). In this study, the research samples were all employees of PT. Mitra Ateda Selaras118 people.

Data collection technique

In-depth interviews were conducted with all specified informants. This interview activity was a question and answer session between the researcher and the informant with the aim of obtaining data. In this case, the researcher set his own questions to be asked to find answers.

Questionnaires are data collection techniques that are carried out by giving written questions to respondents to answer.

Data analysis technique

The data analysis used in this study is the PLS structural equation modeling (SEM) operated through the WarpPLS.5.0 program. This research requires an analysis of data and its interpretation which will be used to answer research questions to uncover certain social phenomena. So data analysis is a process of simplifying data into a form that is easier to read and interpret. The model that will be used in this study is the causality model or influence relationship to test the proposed hypothesis, the analysis technique used is SEM. As a structural equation model, WarpPLS.5.0 has been frequently used in equations and management research.

RESULTS AND DISCUSSION

Evaluating the Measurement Model or Outer Model

Validity test

validityorthe validity of an instrument is a measure of how precisely the instrument is able to produce data in accordance with the actual size to be measured (Mustafa, 2009:164). To test the validity in this study using construct validity which is divided into two, namely convergent and discriminant (Jogiyanto and Abdillah, 2009:81).
1) Convergent Validity

Convergent validity aims to test the correlation between items/indicators to measure constructs. In other words, convergent validity wants to confirm construct measurements (Jogiyanto and Abdillah, 2009:81). Testing the convergent validity of reflexive indicators with

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the WarpPLS 5.0 program can be seen from the loading factor and average variance extracted (AVE). Ideally a valid indicator is an indicator that has a loading factor value above 0.70. In some cases, the loading factor requirements above 0.70 are often not met, especially for newly developed questionnaires. Therefore, loading between 0.40-0.70 should be considered to be maintained.

The results of the convergent validity test by looking at the value of the loading indicator or loading factor for each indicator on the construct and dimensions of Labor Turnover in this study can be seen in table 4.

Table 4: **Indicator Loading Value, P-Value and AVE Labor Turnover Construct**

Variable	Indicator	Loading Factor	P-value	AVE
Labor Turnover	Y2.1	0.888	<0.001	0.784
	Y2.2	0.906	<0.001	
	Y2.3	0.894	<0.001	
	Y2.4	0.854	<0.001	

Source: Primary Data Processed, WarpPLS 5.0

In table 4 it can be seen that the value of the loading indicator or loading factor for all indicators in the labor turnover construct in this study has a value above 0.70, each indicator has a significant p-value below 0.05 and the average variance extracted (AVE) value is above 0.50 means that all the reflective indicators above have a correlation with the labor turnover construct.

The results of the convergent validity test by looking at the value of the loading indicator or loading factor for each indicator in the Employee Commitment construct in this study can be seen in table 5

Table 5: **Factor Loading Value, P-Value**and AVE Employee Commitment Construct

Variable	Indicator	Loading Factor	P-values	AVE
Employee Commitment	Y1.1	0.850	<0.001	0.724
	Y1.2	0.863	<0.001	
	Y1.3	0.808	<0.001	
	Y1.4	0.880	<0.001	

Source: Primary Data Processed, WarpPLS 5.0

In table 4.5 it can be seen that the value of the loading indicator or loading factor for all indicators in the construct of employee commitment in the study has a value above 0.70, each indicator has a significant p-value below 0.05 and the average variance extracted (AVE) value is above 0.50 means that all the reflective indicators above have a correlation with the employee commitment construct.

The results of the convergent validity test by looking at the value of the loading indicator or loading factor for each indicator in the Compensation construct in this study can be seen in table 6.

Table 6: **Factor Loading Value, P-Value**and AVE Compensation Construct

Variable	Indicator	Loading Factor	P-value	AVE
Compensati on	X1.1	0.847	<0.001	0.797
	X1.2	0.908	<0.001	
	X1.3	0.903	<0.001	
	X1.4	0910	<0.001	

Source: Primary Data Processed, WarpPLS 5.0

In table 4.12 it can be seen that the value of the loading indicator or factor loading of all indicators in the compensation construct in the study has a value above 0.70, each indicator has a significance p-value below 0.05 and the average variance extracted (AVE) value is above 0.50 means that all the reflective indicators above have a correlation with the compensation construct.

The results of the convergent validity test by looking at the value of the loading indicator or loading factor for each indicator in the Job Satisfaction construct in this study can be seen in table 4.13.

Table 7: **Factor Loading Value, P-Value**and AVE Job Satisfaction

Variable	Indicator	Loading Factor	P-value	AVE
Job satisfaction	X2.1	0837	<0.001	
	X2.2	0.805	<0.001	
	X2.3	0.919	<0.001	0.754
	X2.4	0.890	<0.001	
	X2.5	0.884	<0.001	

Source: Primary Data Processed, WarpPLS 5.0

In table 4.13 it can be seen that the value of the loading indicator or loading factor for all indicators in the compensation construct in the study has a value above 0.70, each indicator has a significant p-value below 0.05 and the average variance extracted (AVE) value above 0.50 means that all the reflective indicators above have a correlation with the compensation construct.

Reliability Test

The reliability of a measurement indicates the stability and consistency of an instrument that measures a concept and is useful for testing a "goodness" of the measurement (Sekaran, 2003:203 in Latan, 2014:97). There are 2 (two) criteria in measuring or evaluating reliability, namely as follows:

1) *Indicator Reliability*

*Reliability indicators*that ismagnitude*variances*of indicators/items to explain latent constructs (Ghozali & Latan, 2014:93). The results of the reliability test with the reliability indicator criteria can be seen in table 4.19 by looking at the Cronbach's alpha value.

Table 8 : **Cronbach's Alpha Value of Labor Turnover Construct Variables, Employee Commitment, Compensation, Job Satisfaction**

	Labor Turnover	Employee Commitment	Compensation	Job satisfaction
Cronbach's Alpha	0.908	0.872	0.915	0.918

Source: Primary Data Processed, WarpPLS 5.0

In table 8 above, it can be seen that all the values of cronbach's alpha latent construct variables such as*labor turnover*, employee commitment, compensation, job satisfaction above 0.70.This explains that all construct variables meet the reliability requirements.

Internal Consistency Reliability

Internal consistency reliability describes the estimation of reliability based on the average correlation between items in a test (Latan, 2014:99). The results of the reliability test with internal consistency reliability criteria can be seen in table 9 by looking at the composite reliability value.

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Table 9   MarkComposite Reliability Construct Variables Labor Turnover, Employee Commitment, Compensation, Job Satisfaction

	Labor Turnover	**Employee Commitment**	**Compensation**	**Job satisfaction**
Composite Reliability	0.936	0.913	0.940	0.939

Source: Primary Data Processed, WarpPLS 5.0

In table 9 above, it can be seen that all the values of composite reliability of latent construct variables such as*labor turnover*, employee commitment, compensation , job satisfaction above 0.70.This explains that all construct variables meet the reliability requirements.

Hypothesis test
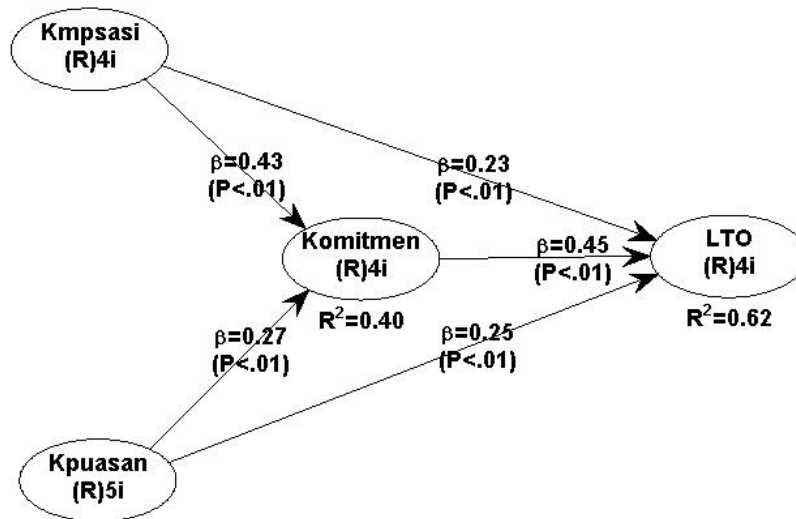The research results in the structural equation model can be seen in Figure 4.1 below.

Figure 2
Structural Equation Model With Path Coefficients, P Values and Effect Sizes
Source: WarpPLS 5.0 Processed Data

Direct Effect (Direct Effect)
To predict the existence of a causal relationship in SEM-PLS using WarpPLS 5.0 it can be done by looking at the T-Statistics seen in the table of path coefficients, p-values, standard errors and effect sizes for path coefficients. In the following, table 10 will be presented, namely the results of the direct influence hypothesis test.

Table10 : Results of Hypothesis Testing Direct Effect

hypothesis	*P-Value*	*Effect Size*	*Path Coefficient*	*Standard Error*	**Decision**
Compensation→ Employee Commitment	<0.001	0.258	0.433	0.083	Significant
Job Satisfaction → Employee Commitment	<0.001	0.146	0.275	0.086	Significant
Compensation→ Labor Turnover	0.005	0.147	0.230	0.087	Significant

hypothesis	P-Value	Effect Size	Path Coefficient	Standard Error	Decision
Job Satisfaction → Labor Turnover	0.002	0.155	0.252	0.086	Significant
Employee Commitment → Labor Turnover	<0.001	0.316	0.449	0.082	Significant

Source: Primary Data Processed, WarpPLS 5.0

The significance of the estimated parameters provides very useful information about the influence of the study variables. The basis used in testing the hypothesis is the value contained in the following output path coefficients:

Effect of Compensation on Employee Commitment

Based on table 10 above, the effect of compensation on employee commitment is significant with a path coefficient value of 0.433, p value <0.001 which indicates that there is an influence between compensation and employee commitment. Thus, in this study which states that "compensation has an effect on employee commitment" is accepted.

The Effect of Job Satisfaction on Employee Commitment

Based on table 10 shows that the effect of job satisfaction on employee commitment is significant with a path coefficient value of 0.275, p value <0.001 which indicates that there is an influence between job satisfaction and employee commitment. Thus in this study which states that "job satisfaction affects employee commitment" is accepted.

Effect of Compensation on Labor Turnover

Based on table 10 above, the effect of compensation on labor turnover is significant with a path coefficient value of 0.147, p-value 0.005 which indicates that there is an effect between compensation and labor turnover. Thus, in this study which states that "compensation has an effect on labor turnover" is accepted.

The Effect of Job Satisfaction on Labor Turnover

Based on table 10 shows that the effect of job satisfaction on labor turnover is significant with a path coefficient value of 0.252, p value 0.002 which indicates that there is an influence between job satisfaction and labor turnover. Thus in this study which states that "job satisfaction has an effect on labor turnover" is accepted.

The Effect of Employee Commitment on Labor Turnover

Based on table 10 shows that the relationship between employee commitment to*labor turnover*is significant with a path coefficient value of 0.449, p value <0.001which indicates that there is an intermediate influenceemployee commitment to labor turnover.Thus in this study which states that "employee commitment affects labor turnover" is accepted.

Indirect Effect (Indirect Effect)

To test the existence of a mediating effect from some of these indirect effect hypotheses, the following is shown in table 11

*Table 11 : Results of Direct and*Indirect Effects

hypothesis	P-Value	Effect Size	Path Coefficient	Standard Error	Decision
Compensation→ Employee Commitment → Labor Turnover	0.001	0.124	0.194	0.062	Significant
Job Satisfaction → Employee Commitment → Labor Turnover	0.027	0.076	0.123	0.063	Significant

Source: Primary Data Processed, WarpPLS 5.0

Effect of Compensation on Labor Turnover Through Employee Commitment

Based on table 11 shows that the effect of compensation on labor turnover through employee commitment is significant with a path coefficient value of 0.194, p value 0.001 which indicates that there is an effect between compensation on labor turnover through employee commitment. Thus in this study which states that "compensation has an effect on labor turnover through employee commitment" is accepted.

The Effect of Job Satisfaction on Labor Turnover Through Employee Commitment

Based on table 11 above, the relationship of job satisfaction to labor turnover through employee commitment is significant with a path coefficient value of 0.123, p value 0.027 which indicates that there is an influence between job satisfaction on labor turnover through employee commitment. Thus, in this study which states that "there is an influence between job satisfaction on labor turnover through employee commitment" is accepted.

CLOSING

Based on the research results obtained and the discussion that has been put forward in the previous chapters, it can be taken as follows: 1) Compensation affects employee commitment. 2) Job satisfaction affects employee commitment. 3) Commitment has a significant effect on employee labor turnover.

Suggestion

Based on the conclusions above, some suggestions can be given as follows: 1) The company must review the provision of compensation to employees. 2) For the variable job satisfaction, the company should be able to create a comfortable work environment. 3) In terms of employee commitment, the company should provide jobs to employees so that they work hard and meet targets. 3) To reduce labor turnover, companies always pay attention to compensation and increase employee involvement in the company.

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