

The Role of Job Satisfaction in Mediating the Influence of Compensation Fairness and Career Opportunities on Nurse Turnover Intentions

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Abstract

KSI Hospital, Kedonganan, Bali, experienced a nurse turnover rate of 13.6% (2023–2025), with a predominance of junior nurses (62.6%), indicating a systemic brain drain. This study aimed to analyze the mediating role of job satisfaction in the influence of compensation justice and career opportunities on nurse turnover intention. A quantitative causal approach with a cross-sectional design was employed. The entire population of nurses ($n=75$) was selected as the saturated sample. Data were collected using a 5-point Likert scale questionnaire (53 items) and analyzed using SEM-PLS with SmartPLS 4.0. The results showed that compensation justice had a significant positive effect on job satisfaction ($\beta=0.311$) and a significant negative effect on turnover intention ($\beta=-0.513$). Career opportunities had a significant positive effect on job satisfaction ($\beta=0.664$). Two major findings emerged: (1) career opportunities had a significant positive effect on turnover intention ($\beta=0.163$); and (2) job satisfaction also had a significant positive effect on turnover intention ($\beta=0.104$), which is contrary to general theory. Job satisfaction only partially mediated the effect of compensation justice, while it did not mediate the effect of career opportunities. The model explained only 12.9% of the variance in turnover intention ($R^2=0.129$). The implication of these findings is that compensation justice remains the strongest protective factor, whereas career opportunities, if not accompanied by targeted retention strategies, paradoxically risk increasing the intention to leave. Hospital management should improve the remuneration system and develop more structured retention programs, rather than relying solely on enhancing job satisfaction.

Keywords

Job Satisfaction, Compensation Justice, Career Opportunities, Turnover Intention



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INTRODUCTION

Human resources have a very important role in determining the sustainability and quality of services of health organizations, especially hospitals. Nursing staff, as

a group of professionals who interact directly with patients on a daily basis, hold a vital responsibility in maintaining the quality of health services. The quality of nursing services reflects how effective the hospital's human resource management system is in creating a supportive work environment. However, problems in the management of nursing personnel continue to be a serious challenge in various health facilities, especially related to the high turnover intention rate which has the potential to threaten operational stability and the quality of patient services (Wardhani & Hariyati, 2023).

In Indonesia, the turnover rate of nurses should ideally be in the range of 5-10% per year (Gillies, 1994). If this threshold is exceeded, hospitals will face various negative consequences ranging from a decrease in service quality to the loss of experienced nurses. The phenomenon of high nurse turnover intentions in Indonesian hospitals is quite worrying, with a rate exceeding 10% every year (Rahmansyah et al., 2025). Research shows that compensation and career development have a direct and significant influence on *turnover* intention, where both factors also have a significant indirect influence through job satisfaction as an intervening variable (Hidayah et al., 2021).

The "KSI" Hospital Kedonganan, Bali, which has been established for 37 years, faces serious challenges in the management of nursing human resources. Based on internal personnel data for 2023-2025, the turnover rate of nurses has experienced a significant spike, with the group average reaching 13.6% and a peak of 32% in certain units in the October 2025 period. A more in-depth analysis shows that the percentage of novice nurses in the Pre PK to PK I category reached 62.6%, far exceeding the organization's ideal target of only 30%. The dominance of junior nurses indicates the occurrence of *brain drain*, where experienced nurses tend to leave the organization. This phenomenon theoretically is often triggered by the perception of injustice in compensation and limited career development opportunities.

Compensation fairness is one of the important factors that affect employee attitudes and behaviors. Based on *equity theory* (Adams, 1963), employees tend to compare their input and output ratios with other employees as a reference. When nurses feel an injustice in the distribution of compensation, there will be a perception of dissatisfaction that can increase the desire to leave the organization. In addition, career opportunities are also a crucial factor that affects nurse *turnover* intentions. According to Herzberg's motivation theory (1959), the opportunity to develop and advance in a career is one of the motivating factors that can increase job satisfaction. A study by Pradiptha et al. (2024) at BIMC Kuta Hospital found that nurses with

good career development had a 34 times higher chance of feeling satisfied with their work.

Job satisfaction has long been recognized as an important mediator variable in the relationship between human resource management practices and *turnover intentions*. *Social exchange theory* (Blau, 1964) explains that when employees feel fair treatment and adequate support from the organization, they will respond with positive attitudes such as high job satisfaction and reduced intention to leave the organization. Research by Hidayah et al. (2021) found that compensation and career development have an effect on turnover intentions through job satisfaction as an intervening variable.

Although many studies have examined the factors that influence *turnover intentions*, there are still research gaps, especially in the context of private hospitals in Indonesia that face unique challenges related to competition with the public sector and the international labor market. Based on the phenomena and problems that have been described, this study aims to analyze the role of job satisfaction in mediating the influence of compensation justice and career opportunities on the turnover intention of nurses at "KSI" Kedonganan Hospital, Bali.

METHODS

This study uses a quantitative research design with a causal associative approach that aims to test and analyze the influence between variables (Sugiyono, 2021). The research design is *cross sectional*, where data collection is carried out at a specific point in time. The study used the Structural Equation Modeling approach based on *Partial Least Square* (SEM-PLS) to analyze the causal relationships between variables simultaneously. The SEM-PLS approach was chosen because it is able to analyze complex research models with mediation variables, and can test direct and indirect influences simultaneously (Ghozali, 2021).

The population in this study is all nurses who work at the "KSI" Kedonganan Hospital, Bali as many as 75 people spread across various service units. The sampling technique uses the census method or saturated sampling, which is a sample determination technique when all members of the population are used as samples (Sugiyono, 2021). This study uses four main variables: (1) exogenous variables: compensation justice (X1) and career opportunities (X2); (2) mediation variables: job satisfaction (Z); and (3) endogenous variable: turnover intensity (Y). The operational definition of the variable is presented in Table 1.

Table 1. Variable Operational Definition

Variabel	Operational Definition	Indicator	Number of Items
Compensation Justice (X1)	Nurses' perceptions of fairness in the distribution and procedure of determining compensation	Distributive, procedural, interpersonal, informational justice	14
Career Opportunities (X2)	Nurses' perceptions of the availability and accessibility of professional career development pathways	Clarity of career path, promotion opportunities, training & development, organisational support, recognition & rewards	15
Job Satisfaction (Z)	Positive emotional state of the nurse's evaluation of work experience	Job satisfaction, compensation, promotion, supervision, co-workers	15
Intensi Turnover (Y)	Nurses' intentions and plans to leave the organization voluntarily	Thoughts of exiting, intention to seek alternatives, intention to leave	9

Source: Primary data processed by the author (2026)

Variable measurements use a 5-point Likert scale (1=Strongly Agree to 5=Strongly Agree). Data collection was carried out through a structured questionnaire distributed online through *Google Form* after conducting a pilot test on 30 nurses outside the sample. The validity test of the instrument used *Pearson's Product Moment correlation analysis* with the criteria of $r \geq 0.30$ and $p < 0.05$. The reliability test used *Cronbach's Alpha* with a criterion of $\alpha \geq 0.70$. The test results showed that all statement items were declared valid and reliable with *Cronbach's Alpha* values ranging from 0.866 to 0.958.

Data analysis was carried out in three stages: (1) descriptive statistical analysis

to describe respondent characteristics and research variables; (2) evaluation of the measurement model (*outer model*) including convergent validity, discriminant validity, and reliability; (3) evaluation of structural models (*inner model*) and hypothesis testing using *bootstrapping procedure* (5000 subsamples) with SmartPLS software version 4.0.

RESULTS AND DISCUSSION

Respondent Characteristics

This study involved 75 nurse respondents at "KSI" Kedonganan Hospital, Bali. The characteristics of the respondents are presented in Table 2.

Table 2. Respondent Characteristics

Features	Category	Frequency	Percentage
Age	< 25 years old	20	26,7%
	25-30 years	38	50,7%
	31-35 years old	8	10,7%
	> 35 years old	9	12,0%
Gender	Male	10	13,3%
	Women	65	86,7%
Employment Status	Contract	61	81,3%
	Fixed	14	18,7%
Tenure	≤ 1 year	30	40,0%
	1-3 years	26	34,7%
	≥ 5 years	19	25,3%
Education	D3 Nursing	25	33,3%
	S1 Nursing/NERS	47	62,7%
	S2 Nursing	3	4,0%

Source: Primary data processed by the author (2026)

The data shows that the dominance of young nurses under 30 years old (77.4%), the majority have contract status (81.3%), and have a working period of less than 3 years (74.7%). This profile confirms the initial indications of *brain drain* presented in the background of the study. The high proportion of nurses who are young and have contract status makes this group very sensitive to perceptions of fairness, compensation, and clarity of career opportunities.

Description of Research Variables

The recapitulation of the average value of the research variables is presented in Table 3.

Table 3. Recapitulation of the Average Value of Research Variables

Variabel	Average	Category
Compensation Justice (X1)	2,79	Medium
Career Opportunities (X2)	3,18	Medium
Job Satisfaction (Z)	3,12	Medium
Intensi Turnover (Y)	3,36	Medium

Source: Primary data processed by the author (2026)

All research variables were in the medium category. However, analysis per indicator shows that distributive justice (an indicator of compensation fairness) and satisfaction with compensation (an indicator of job satisfaction) are in the low category, while the indicator of thinking to exit the variable of *turnover* intention is already in the high category (average of 3.47).

Evaluation of Measurement Models

The results of the evaluation of the measurement model after modification (removal of the indicator with *an outer loading* < 0.70) are presented in Table 4.

Table 4. Measurement Model Evaluation Results

Variabel	Outer Loading (min-maks)	AVE	Cronbach's Alpha	Composite Reliability
Intensi Turnover (Y)	0,742 - 0,928	0,733	0,955	0,961
Compensation Justice (X1)	0,728 - 0,897	0,664	0,953	0,959

Variabel	Outer Loading (min-maks)	AVE	Cronbach's Alpha	Composite Reliability
Career Opportunities (X2)	0,718 - 0,896	0,676	0,946	0,954
Job Satisfaction (Z)	0,689 - 0,858	0,640	0,929	0,941

Source: Primary data processed by the author (2026)

All variables met the criteria of convergent validity ($AVE > 0.50$) and reliability (*Cronbach's Alpha* and *Composite Reliability* > 0.70). However, the discriminatory validity between Job Satisfaction and Career Opportunities was not met ($HTMT = 0.930 > 0.85$), indicating that in nurses' perceptions, these two concepts are almost synonymous. This is natural in the context of nursing because career opportunities (training, promotion, certification) are the main source of intrinsic job satisfaction, as affirmed in the *Two-Factor Theory* (Herzberg, 1959).

Structural Model Evaluation

Table 5. Determination Coefficient Test Results (R-Square)

Variable endogenous	R-Square	R-Square Adjusted	Remarks
Job Satisfaction (Z)	0,830	0,826	Substantial (strong)
Intensi Turnover (Y)	0,129	0,092	Lemah (weak)

The structural model is able to explain 83.0% of the variance in job satisfaction, which is substantial. However, only 12.9% of the variance in *turnover intention* could be explained by the three independent variables, indicating that there are many other factors outside the model that influence nurses' exit intentions.

Hypothesis Testing

Table 6. Hypothesis Testing Results

Hipotesis	Jalur	Coeficin	Directions	Significance	Conclusion
H1	$X1 \rightarrow Z$	0,311	Positive	Signifikan	Accepted
H2	$X2 \rightarrow Z$	0,664	Positive	Signifikan	Accepted
H3	$X1 \rightarrow Y$	-0,513	Negatives	Signifikan	Accepted

Hipotesis	Jalur	Coeficin	Directions	Significance	Conclusion
H4	$X2 \rightarrow Y$	0,163	Positive	Signifikan	Rejected (opposite sign)
H5	$Z \rightarrow Y$	0,104	Positive	Signifikan	Rejected (opposite sign)
H6	$X1 \rightarrow Z \rightarrow Y$	0,032	Positive	Signifikan	Partial Mediation
H7	$X2 \rightarrow Z \rightarrow Y$	0,069	Positive	Signifikan	No Mediation

Discussion

The Effect of Compensation Fairness on Job Satisfaction (H1)

The results showed that compensation fairness had a positive and significant effect on job satisfaction ($\beta=0.311$). These findings are in line with *Equity Theory* (Adams, 1963) and Sulaefi's (2015) research which found that distributive justice and compensation procedures have a significant effect on nurses' job satisfaction. The fairer the compensation a nurse feels, the higher their job satisfaction rate.

The Effect of Career Opportunities on Job Satisfaction (H2)

Career opportunities have a positive and significant effect on job satisfaction with a greater coefficient ($\beta=0.664$). These findings are in line with *the Two-Factor Theory* (Herzberg, 1959), where the opportunity to progress and develop is a strong intrinsic motivating factor. Research by Pradipta et al. (2024) at BIMC Hospital Kuta Bali also found that nurses with good career development had a 34 times higher chance of feeling satisfied.

The Effect of Compensation Fairness on Turnover Intention (H3)

Compensation fairness has a negative and significant effect on *turnover intention* ($\beta=-0.513$). These findings are the most robust and consistent with a global meta-analysis by Ren et al. (2024) that identified dissatisfaction with compensation as the highest risk factor for nurse turnover. At the "KSI" Kedonganan Hospital, where the majority of nurses have contract status, the perception of unfairness in compensation can quickly trigger the desire to move.

The Effect of Career Opportunities on Turnover Intent (H4) - Critical Findings

In contrast to the initial hypothesis, career opportunities actually have a positive and significant effect on turnover intentions ($\beta=0.163$). This finding is an original contribution to research that can be explained through the concept of

employability paradox (Van der Heijde & Van der Heijden, 2006). Nurses who get a variety of training, certifications, and career path clarity feel they have high competitiveness in the labor market. They no longer see the "KSI" Kedonganan Hospital as the final destination, but as a *stepping stone* to accumulate human capital before jumping to other organizations.

Research by Zhong et al. (2021) in *the Journal of Vocational Behavior* further clarifies this phenomenon by finding that the relationship between *perceived employability* and *turnover intentions* is *inverted U-shaped*. At low to moderate levels, increasing work ability will reduce the intention to leave. However, after surpassing the optimal point, further increases exit intent as employees feel overconfident and see opportunities outside more tempting.

The Effect of Job Satisfaction on Turnover Intention (H5) - Critical Findings

Job satisfaction showed a significant positive influence on *turnover intent* ($\beta=0.104$), contrary to the general theory. These findings can be explained through several perspectives. First, the problem of discriminative validity between Job Satisfaction and Career Opportunities leads to the estimation of the bias coefficient due to high multicollinearity. Second, the concept of *the Too Much of a Good Thing (TMGT) effect* (Pierce & Aguinis, 2013) explains that at a very high level of satisfaction, employees can reach a *comfort zone condition* that actually triggers boredom and the desire to seek new challenges. Third, the dominance of nurses with a working period of less than 3 years (74.7%) makes non-linear relationships very likely, where increased job satisfaction initially decreases the intention to leave but after reaching the optimal point actually increases it.

The Role of Job Satisfaction Mediation (H6 and H7)

Job satisfaction partially mediates the effect of compensation fairness on *turnover intention* (H6). That is, compensation fairness affects turnover intentions through two paths: the direct (negative, dominant) path and the indirect path through job satisfaction. However, job satisfaction does not mediate the influence of career opportunities on *turnover intention* (H7) because both direct and indirect effects are equally positive. Job satisfaction actually strengthens the positive influence of career opportunities on *turnover intention*, rather than dampening it.

CONCLUSION

Based on the results of data analysis and discussion, this study concludes that compensation fairness and career opportunities have a positive and significant effect on nurses' job satisfaction, with career opportunities showing a stronger influence ($\beta = 0.664$) than compensation fairness ($\beta = 0.311$). Compensation fairness was also

shown to have a negative and significant effect on turnover intentions ($\beta = -0.513$), suggesting that a fair compensation system is able to suppress nurses' desire to leave the organization. On the other hand, career opportunities have a positive and significant effect on turnover intention ($\beta = 0.163$), which indicates the existence of the employability paradox phenomenon, which is that the greater the opportunities for career development, the higher the chance of nurses to find a job in other organizations. In addition, job satisfaction had a positive and significant effect on turnover intention ($\beta = 0.104$), a result that differed from the theory in general. Mediation testing showed that job satisfaction partially mediated the effect of compensatory justice on turnover intention, but did not mediate the relationship between career opportunities and turnover intention. The research model was able to explain the variation in job satisfaction of 83.0% ($R^2 = 0.830$), but only explained the 12.9% variation in turnover intention ($R^2 = 0.129$).

Based on these findings, hospital management is advised to continue to improve compensation fairness through a transparent, consistent, and equitable payroll, benefits, and incentive system. In addition, the management of career opportunities needs to be integrated with retention strategies, such as providing competency-based compensation, developing clear career paths, mentoring programs, performance rewards, and efforts to increase job embeddedness so that nurses with high competence remain in the organization. Hospitals also need to evaluate other factors that can affect turnover intentions, such as workload, shift sharing systems, nurse-patient ratios, and support from supervisors to create a more conducive work environment.

For further research, it is recommended to expand the number of samples and the scope of the research location so that the results of the study have a higher generalization power. The researcher also needs to add other variables, such as workload, work stress, organizational commitment, transformational leadership, and work-life balance, to improve the model's ability to explain turnover intentions. In addition, the use of more specific measurement instruments, analyses on different types of hospitals, and longitudinal approaches are suggested so that the causal relationships between variables can be understood more comprehensively and produce stronger findings.

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