

The Effect of Job Satisfaction and Organizational Commitment on Turnover Intention of Gen Z Employees in Startup Companies

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ABSTRACT

The rapid growth of startup companies in Indonesia, driven by digitalization, has positioned Generation Z as a significant part of the workforce. This generation is known for being highly adaptive to technology and strongly oriented toward personal values. However, their high turnover intention presents a major challenge for organizational sustainability. Given their dynamic and selective nature in choosing workplaces, it is crucial to understand the factors influencing their decision to stay. Two key factors are job satisfaction and organizational commitment, which reflect both professional fulfillment and employees' attachment to their organizations. This study aims to examine the influence of job satisfaction and organizational commitment on turnover intention among Generation Z employees in startup companies. A quantitative approach was used, involving a survey of 280 Gen Z employees from various startups. Data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM). The results show that both job satisfaction and organizational commitment have a significant negative effect on turnover intention. In other words, higher levels of satisfaction and commitment are associated with a lower tendency to leave the organization. These findings offer practical insights for startup management in developing more effective retention strategies tailored to Generation Z characteristics. Enhancing job satisfaction and strengthening organizational commitment are key to fostering a stable and productive work environment.

Keywords: Job Satisfaction; Organizational Commitment; Turnover Intention; Generation Z; Startup

INTRODUCTION

A startup is a business built from scratch and characterized by its innovative nature, independent operations, and rapid growth potential. The characteristics of a startup are young, i.e. under 10 years old, and also small, i.e. having no more than 150 employees (Montani et al., 2020).

Startup companies in Indonesia have experienced rapid growth in recent years along with increasing investment and digitalization. Based on data from Alpha JWC Ventures (2023), ASEAN countries, including Indonesia, show significant growth rates in annual capital investment in the startup sector. Indonesia itself recorded a 70% growth in capital investment with a total of 9.2 billion USD in 2021. This growth supports the increasing number of startups operating in various sectors, especially digital technology.

Based on the MIKTI report (2021), the startup ecosystem in Indonesia has shown rapid development, with Jakarta recognized as one of the best ecosystems globally according to the Global Startup Ecosystem Report 2020 (Informasi, 2021). The COVID-19 pandemic, although it has put significant pressure on many industries, has become a positive catalyst for the digital sector due to the massive shift towards digital-based services, such as e-commerce, online education, digital health services, and online entertainment. In the same year, the development of startups in Indonesia began to expand to tier 2 and 3 cities. Digital talent is now needed not only in big cities but also in other regions.

Data shows that startup growth in Indonesia is not only occurring in big cities but is also starting to spread to small cities. Between 2016 and 2021, the number of startups in tier 2 and 3 cities in Indonesia increased by 133%, making it the highest growth among ASEAN countries. Startups from tier 2 and 3 regions currently contribute about 12%, but this is expected to grow significantly over the next five years. This fact indicates that

the demand for digital talent will increase, especially in areas outside major metropolitan centers. Based on the Clean Population Data (DKB) Semester I/2024 released by the Ministry of Home Affairs, Indonesia currently has a population of 282 million, and 69.77 million (24.7%) of them are generation Z (Wilopo & Wahyuningtyas, 2024). Long-Term Workforce Plan: Towards Golden Indonesia 2045 (Nagre & Mude, 2024) states that in the period 2023–2045, the number of the workforce in Indonesia is expected to experience a significant increase. In 2023, the need for a workforce is 139.8 million people, then increasing to 141.9 million people in 2024, and then increasing gradually to reach 181.5 million people in 2045. According to BPS (2021), the workforce is the population aged over 15 years and is economically active such as work activities that are ongoing or temporarily inactive.

Based on these data, it can be said that in 2045, Gen Z will dominate the workforce in Indonesia. Generation Z has great potential to become superior human resources (HR) in driving Indonesia's progress. One of their main advantages is the ability to adapt to digital technology from an early age, which is an added value for this generation (Norina & Sary, 2025). Startup companies in Indonesia have experienced rapid growth in recent years, driven by massive investments in the digital sector. Based on a report from Alpha JWC Ventures (2023), total capital investment in the Indonesian startup sector reached USD 9.2 billion in 2021 with a growth of 70%. Although the growth of startups shows promising potential, many companies are now facing a major struggle in maintaining the sustainability of their workforce, especially from generation Z who have become the main axis in today's employment landscape (Akbar & Sary, 2021).

Related results were also shown by a study by the Unstop Report (2024) regarding the ideal work period according to Gen Z employees. The study showed that as many as 35% of Gen Z employees preferred a work duration of 1-2 years in the company, while only 30% chose to work for more than 5 years, 23% chose a work period of 3-5 years, and 12% less than one year. Another study conducted by Zahari and Puteh (2023), around 57% of Gen Z stated that they would stay in the same job for less than three years before deciding to move to another career. In Indonesia, a survey conducted by Jakpat (2024) showed that 59% of Generation Z had plans to leave their jobs. The decision to resign was divided into several time frames, where some chose to wait until they received their Eid Allowance (THR), while others planned to resign in the next six months, within one year, or without setting a definite time frame (Zahari & Puteh, 2023).

This phenomenon indicates significant dissatisfaction among this generation with their working conditions. According to Ahmad Saufi, et al. (2023), the desire to leave an organization or move to find a better job is called turnover intention (Ahmad Saufi et al., 2023). Taufik, Rosyadi, and Aliyuddin (2024) stated that the main trigger for turnover intention is dissatisfaction with the job. However, this desire to resign does not necessarily make employees resign immediately (Taufik et al., 2024a). According to Zuad and Guspa (2023), when employees feel high job satisfaction with the elements of their work, they will have a low desire to leave their jobs (Khairannisa Zaud & Guspa, 2023).

Work-life balance is an important aspect related to employee emotional well-being. Imbalance can cause self-reported stress (Simmons et al., 2022), while good work-life balance supports long-term engagement and productivity. Relationships with colleagues and superiors reflect the dimensions of supervision and work groups. Robbins, Judge, and Campbell (2016) emphasize that supportive supervision and friendly work teams increase satisfaction through interpersonal support and collaboration. Finally, financial and health benefits, such as health insurance or other benefits, support the compensation dimension, which provides employees with a sense of security in meeting their life needs (Lazzari et al., 2022).

In Indonesia, a study conducted by Fitta, Dewi, and Idulfilastri (2020) on employees in a startup environment showed that there was a negative and significant relationship between the level of commitment to the organization and the intention to resign (Keng et al., 2018). In other words, when employee loyalty and attachment to the organization strengthens, the tendency to think about leaving the company tends to decrease. Another study in Indonesia by Yanistasa, Hindiarto, and Priyanto (2024) on Gen Z employees in Indonesian companies also showed that turnover intention can be suppressed by organizational commitment as a key factor. The higher the organizational commitment and organizational climate, the lower the turnover intention in Generation Z employees (Yanistasa et al., n.d.).

METHOD

Based on the background, theoretical basis, framework, and hypothesis that have been explained previously, this study uses a quantitative approach with a descriptive and causal research type. The quantitative approach, which is rooted in the positivism paradigm, aims to test the truth of the hypothesis through data

processing in the form of numbers and statistical analysis. This method focuses on observing a certain population or sample using systematically arranged instruments in order to obtain data that can be measured objectively (Sugiyono, 2013). The population in this study were Gen Z employees at startup companies in Indonesia with an unknown number. The population criteria in this study were Gen Z employees (born in 1997–2012) who worked as employees at startup companies (companies aged <10 years with ≤150 employees).

RESULTS AND DISCUSSION

Research Results

Descriptive Analysis of Job Satisfaction Variables

Based on the questionnaire that has been distributed with sub-variables consisting of salary (X11), career (X12), the job itself (X13), superiors (X14), and coworkers (X15), the following are the results of respondents' responses regarding the job satisfaction variable:

Table 1. Recapitulation of Responses Regarding Job Satisfaction Variables

Item		SS	S	N	TS	STS	Percentage	Category
X11.1	I feel that I am paid according to the work I do.	94	105	45	28	8	77.79%	High
X11.2	I feel that the work I do is fairly valued.	72	122	64	18	4	77.14%	High
X11.3	I am satisfied with the salary I receive.	98	126	34	19	3	81.21%	High
X11.4	The salary I receive motivates me to work harder.	100	103	43	26	8	78.64%	High
X11.5	I am satisfied with the opportunity for a salary increase in this job.	81	112	53	27	7	76.64%	High
X11.6	I feel my salary is competitive in this industry.	77	131	48	18	6	78.21%	High
X11.7	My salary here is better than my salary in other companies.	92	113	39	30	6	78.21%	High
X12.1	I am satisfied with my current career development.	85	108	51	27	9	76.64%	High
X12.2	I have career development opportunities in this company.	85	116	48	22	9	77.57%	High
X12.3	I am satisfied with the promotion opportunities available.	80	121	41	33	5	77.00%	High
X12.4	I am confident that I can be promoted if I work well.	81	127	45	19	8	78.14%	High
X13.1	My job is in line with my passion.	89	121	44	18	8	78.93%	High
X13.2	My job is in line with my expertise.	98	112	45	20	5	79.86%	High
X13.3	I understand my job well.	90	126	38	20	6	79.57%	High
X13.4	I have the opportunity to improve my skills through this job.	85	131	45	15	4	79.86%	High
X13.5	The company provides tasks that can develop my abilities.	86	123	47	20	4	79.07%	High
X13.6	I am satisfied with my current job.	79	122	50	21	8	77.36%	High
X13.7	I am proud of my current job.	84	130	38	21	7	78.79%	High

Item	SS	S	N	TS	STS	Percentage	Category
X13.8 I feel that my current job is meaningful.	92	116	44	23	5	79.07%	High
X13.9 I like my current job.	82	119	53	24	2	78.21%	High
X14.1 I am satisfied with my boss's direction towards my work.	83	127	42	21	7	78.43%	High
X14.2 My boss always helps me to direct me in dealing with work problems.	88	118	46	20	8	78.43%	High
X14.3 My boss is fair to all his subordinates.	93	107	56	19	5	78.86%	High
X15.1 My coworkers can complete their work well.	80	126	51	18	5	78.43%	High
X15.2 I feel satisfied working with my coworkers.	92	115	44	22	7	78.79%	High
X15.3 I am happy working with my current coworkers.	85	123	42	24	6	78.36%	High
X15.4 My interactions with my coworkers are positive.	97	114	48	15	6	80.07%	High
X15.5 My coworkers are always ready to help me if I have difficulties at work.	89	119	49	16	7	79.07%	High
Average Score						78.94%	High

Source: Data processed by researchers (2025)

Looking at the overall analysis results, it can be said that most of the measured aspects show a fairly high level of job satisfaction among Gen Z employees at startup companies. Three dimensions that stand out consistently, namely the work itself (X13), coworkers (X15), and superiors (X14), each recorded an average score in the range of 78.5% to 78.9%. These three aspects describe working conditions that are not only in line with personal skills and interests, but also provide learning opportunities, a supportive social atmosphere, and leadership that is perceived as fair and reliable. These values indicate that in general, employees feel supported both professionally and emotionally in conducting their daily tasks.

Meanwhile, the salary (X11) and career (X12) dimensions also show high achievements, although not as strong as the previous three indicators. With scores of 78.27% and 77.34% respectively, respondents expressed satisfaction with the compensation received and the opportunities for career development. However, attention needs to be directed to the subcomponent that recorded the lowest score among all items, namely satisfaction with salary increase opportunities. Although the value is still in the high category, there are indications that policies related to financial appreciation have not fully met employees' long-term expectations. In terms of career, although they believe in the existence of a performance-based promotion system, actual experiences related to vertical mobility do not seem to be fully proven evenly.

Respondents' Responses to Organizational Commitment Variables

Based on the questionnaire that has been distributed with sub-variables consisting of affective commitment (X21), ongoing commitment (X22), and normative commitment (X23), the following are the results of respondents' responses regarding the organizational commitment variable:

Table 2. Recapitulation of Responses Regarding the Organizational Commitment Variable

Item	SS	S	N	TS	STS	Percentage	Category
X21.1 I have an emotional attachment to this company.	80	117	48	29	6	76.86%	High
X21.2 I give my best dedication to this company.	84	122	51	16	7	78.57%	High
X21.3 I want to stay in this company.	93	109	43	25	10	77.86%	High

Item		SS	S	N	TS	STS	Percentage	Category
X22.1	I feel that I will get many benefits by staying with this company.	90	102	57	20	11	77.14%	High
X22.2	I do not have more attractive job alternatives elsewhere.	82	111	46	32	9	76.07%	High
X22.3	Staying with this company will give me stability in my life.	92	116	39	29	4	78.79%	High
X23.1	I feel that I have a psychological contract with this company.	77	122	48	24	9	76.71%	High
X23.2	This company provides a lot of assistance to its employees.	84	101	59	29	7	76.14%	High
X23.3	This company deserves my loyalty.	81	115	47	31	6	76.71%	High
Average Total Score							77.21%	High

Source: Data processed by researchers (2025)

Overall, the three indicators of organizational commitment obtained an average score in the high category, namely affective commitment (X21) of 77.76%, continuance commitment (X22) of 77.33%, and normative commitment (X23) of 76.52%. The highest score was in the affective dimension, indicating that most respondents had strong emotional involvement and a desire to remain part of the organization. Meanwhile, the high score on the continuance indicator reflects that respondents considered practical factors such as stability and work benefits in maintaining a working relationship with the company. Normative commitment, although it is the indicator with the lowest average, still shows that respondents feel a moral obligation to be loyal to the company.

However, several items recorded lower scores compared to other items in their respective indicators, although they remained in the high category. In affective commitment, item X21.1 "I have an emotional attachment to this company" obtained a score of 76.86%, indicating that not all employees feel a strong emotional bond, which could be due to a brief period of work or a lack of meaningful experience. On continuance commitment, item X22.2 "I don't have more attractive alternatives to work elsewhere" scored 76.07%, indicating that some employees stay not because of intrinsic motivation, but because of limited external opportunities. Meanwhile, on normative commitment, item X23.3 "This company deserves my loyalty" scored 76.14%, indicating that not all respondents fully believe that the company is worthy of a long-term career. Based on these findings, startup companies are advised to strengthen the emotional dimension and moral values in work relationships, by improving the quality of communication, a transparent reward system, and strengthening an organizational culture that values individual contributions

Respondents' Responses to the Turnover Intention Variable

Based on the questionnaire that has been distributed with sub-variables consisting of thoughts of quitting (Y1), intention to leave (intention to quit) (Y2), intention to search for another job (Y3), the following are the results of respondents' responses regarding the turnover intention variable:

Table 3. Recapitulation of Responses Regarding the Turnover Intention Variable

Item		SS	S	N	TS	STS	Percentage	Category
Y1.1	I have never thought about leaving this job.	85	116	46	20	13	77.14%	High
Y1.2	I plan to stay with this company for a long time.	88	101	53	29	9	76.43%	High
Y1.3	I always come to work regularly.	85	111	46	29	9	76.71%	High
Y2.1	I want to continue working in my current job.	87	108	46	29	10	76.64%	High
Y2.2	I feel this job is the best for me.	88	126	37	23	6	79.07%	High
Y2.3	I feel I have a good future if I stay with this company.	95	124	34	21	6	80.07%	High

Item		SS	S	N	TS	STS	Percentage	Category
Y3.1	I am not looking for alternative employment.	76	98	59	28	19	73.14%	High
Y3.2	I have no plans to move to another organization.	70	105	54	31	20	72.43%	High
Y3.3	I want to stay with this company for more than a year.	104	116	31	23	6	80.64%	High
Average Total Score							76.92%	High

Source: Data processed by researchers (2025)

Based on the table, the turnover intention variable has an average score of 76.92%, which is categorized as high. The Thought of Quitting sub-variable shows that most respondents have not actively thought about quitting their jobs. The item "I have never thought about quitting this job" (Y1.1) recorded the highest score in this sub-variable, which is 77.14%, reflecting that the majority of respondents do not have the mental drive to consider resigning. This is reinforced by the score of the item "I always come to work regularly" (Y1.3) of 76.71%, indicating consistent work attendance as a form of professional attitude towards work routines. Meanwhile, "I plan to stay at this company for a long time" (Y1.2) obtained a score of 76.43%, indicating that although most respondents showed an intention to stay, certainty for the long term has not yet fully strengthened. The Intention to Quit sub-variable showed a stronger tendency to stay, with the highest score on the item "I feel I have a good future if I continue working at this company" (Y2.3) at 80.07%, and the item "I feel this job is the best for me" (Y2.2) with a score of 79.07%. These two items indicate that many respondents consider their current job to provide clarity and prospects. The item "I want to continue working at my current job" (Y2.1) recorded a score of 76.64%, still in the high category, but indicating that some respondents do not fully feel that this job is ideal even though they have no intention of leaving.

Meanwhile, the sub-variable intention to search for another job has the lowest average score of 75.40%, although it is still in the high category. The item "I want to stay working in this company for more than one year" (Y3.3) obtained a score of 80.64%, reflecting that most respondents still have plans to stay in the medium term. However, the other two items, namely "I am not looking for alternative jobs" (Y3.1) with a score of 73.14% and "I do not plan to move to another organization" (Y3.2) with a score of 72.43%, indicate that some respondents are starting to open up the possibility of changing jobs, although they have not yet reached the active search stage. This finding shows that although the desire to stay in the company is still high, early indications have begun to emerge from some respondents to re-evaluate their future careers. Therefore, companies need to proactively strengthen employee perceptions of job security, development opportunities, and role relevance to personal aspirations so that the tendency for turnover can be suppressed amidst the dynamics of a competitive startup work environment.

Quantitative Analysis Results

The approach used in this study is a quantitative method to test the formulated hypothesis. The data device used in the data analysis process is SmartPLS 4.0 software with the Partial Least Square (PLS) method within the Structural Equation Modeling (SEM) framework which is capable of processing complex data and is also suitable for research with limited samples. The stages of analysis carried out include testing the outer model to evaluate the validity and reliability of indicators and the inner model to examine the connection between constructs according to the hypothesis.

Outer Model Results

The outer model assesses how well the observed data (indicators) reflect the unobserved constructs (latent variables) in the model. Evaluation of the outer model ensures that the constructs are measured reliably and validly.

a. Indicator Reliability (Loading Factors)

Table 4. Load Factor Testing Results Job Satisfaction

Indicator	Outer Loading	Information
X11.1	0.862	Valid
X11.2	0.845	Valid

Indicator	Outer Loading	Information
X11.3	0.825	Valid
X11.4	0.880	Valid
X11.5	0.850	Valid
X11.6	0.816	Valid
X11.7	0.848	Valid
X12.1	0.871	Valid
X12.2	0.834	Valid
X12.3	0.853	Valid
X12.4	0.837	Valid
X13.1	0.817	Valid
X13.2	0.846	Valid
X13.3	0.837	Valid
X13.4	0.821	Valid
X13.5	0.846	Valid
X13.6	0.880	Valid
X13.7	0.846	Valid
X13.8	0.851	Valid
X13.9	0.862	Valid
X14.1	0.836	Valid
X14.2	0.848	Valid
X14.3	0.857	Valid
X15.1	0.826	Valid
X15.2	0.870	Valid
X15.3	0.870	Valid
X15.4	0.835	Valid
X15.5	0.853	Valid

Source: Data processed by researchers (2025)

Convergent validity testing of job satisfaction variables is conducted by considering the outer loading value of each indicator included in the five dimensions, namely salary, career, the job itself, superiors, and coworkers. Details of the values of the 25 indicators are shown in the table. In this study, the job satisfaction variable is constructed through 25 indicators. The results of the analysis show that all indicators have a loading factor value above 0.7. In other words, each indicator has shown good convergent validity, because its value also exceeds the minimum limit of 0.5 as suggested by Husein (2015). This indicates that these indicators have a strong relationship to the construct being measured. The indicators with the highest values were recorded in items X13.6 and X15.2 with a score of 0.880, which measure the dimensions of "the job itself" and "coworkers". Meanwhile, the lowest value was recorded in indicator X11.6 with a value of 0.816, which measures the salary aspect. However, all values are still in the valid category. Therefore, all indicators that form the job satisfaction variable are considered feasible and have met the convergent validity requirements for use in the next analysis stage.

Table 5. Results of Organizational Commitment Loading Factors Testing

Indicator	Outer Loading	Information
X21.1	0.874	Valid
X21.2	0.812	Valid
X21.3	0.879	Valid

Indicator	Outer Loading	Information
X22.1	0.889	Valid
X22.2	0.842	Valid
X22.3	0.878	Valid
X23.1	0.860	Valid
X23.2	0.879	Valid
X23.3	0.891	Valid

Source: Data processed by researchers (2025)

Convergent validity testing on organizational commitment variables was conducted by reviewing the outer loading values of nine indicators representing three dimensions, namely affective commitment (X21), ongoing commitment (X22), and normative commitment (X23). All values can be seen in the table above. In this study, the three dimensions were each measured using three indicators. The results of the analysis showed that all indicators had loading factor values above 0.8, which indicated a strong relationship between the indicators and the constructs they represented. According to the criteria put forward by Husein (2015), a loading factor value above 0.7 indicates good convergent validity, while a value above 0.5 is still considered to meet the minimum requirements. The indicator with the highest score was found in X23.3 with a value of 0.891 (normative commitment), followed by X22.1 at 0.889 (ongoing commitment). The lowest value was recorded in X21.2 at 0.812 but remained in the valid category. Thus, all indicators in the organizational commitment variable have met the requirements of convergent validity and can be used in further testing of the research model.

Table 6. Results of Testing Loading Factors Turnover Intention

Indicator	Outer Loading	Information
Y1.1	0.887	Valid
Y1.2	0.885	Valid
Y1.3	0.790	Valid
Y2.1	0.899	Valid
Y2.2	0.861	Valid
Y2.3	0.891	Valid
Y3.1	0.926	Valid
Y3.2	0.903	Valid
Y3.3	0.888	Valid

Source: Data processed by researchers (2025)

Convergent validity testing of the turnover intention variable was conducted by analyzing the outer loading values of nine indicators divided into three dimensions, namely thoughts of quitting (Y1), intention to quit (Y2), and intention to search for another job (Y3). Details of the values of each indicator are presented in the table. In this study, all indicators showed loading factor values above 0.7, which means that they have met the minimum criteria for convergent validity as explained by Husein (2015), namely values above 0.5. These results indicate that these indicators have adequate correlation with the turnover intention construct being measured. The highest loading factor value was achieved by indicator Y3.1 of 0.926, which indicates that the statement strongly represents the dimension of intention to search for another job. On the other hand, the lowest value was recorded in indicator Y1.3 of 0.790, which is still within the valid range. Overall, the nine indicators in the turnover intention variable have met the convergent validity requirements, so they can be used in further model analysis.

b. Internal Consistency Reliability

1. Cronbach's Alpha

Table 7. Cronbach's Alpha Test Results

Variable	Cronbach's Alpha	Description
X1 (Job Satisfaction)	0.985	Reliable

Variable	Cronbach's Alpha	Description
X2 (Organizational Commitment)	0.959	Reliable
Y (Turnover Intention)	0.964	Reliable

Source: Data processed by researchers (2025)

The reliability test in this study produced a remarkably high Cronbach's Alpha value for all variables, which exceeded 0.9. The job satisfaction variable (X1) obtained a score of 0.985, organizational commitment (X2) of 0.959, and turnover intention (Y) of 0.964. These figures reflect a very strong level of internal consistency of each indicator. Therefore, it can be concluded that this research instrument is reliable and is able to measure each construct with a high level of reliability.

2. Composite Reliability

Table 8. Composite Reliability Test Results

Variable	Composite Reliability	Description
X1 (Job Satisfaction)	0.986	Reliable
X2 (Organizational Commitment)	0.959	Reliable
Y (Turnover Intention)	0.965	Reliable

Source: Data processed by researchers (2025)

Based on the results of the composite reliability test, all research variables showed a very adequate level of reliability. The job satisfaction variable (X1) obtained a score of 0.986, organizational commitment (X2) of 0.959, and turnover intention (Y) of 0.965. All of these values far exceed the minimum threshold of 0.7, indicating that each construct has strong internal stability in representing its indicators. This finding confirms that the measuring instrument used is not only consistent, but also solid enough to measure each dimension of the construct comprehensively and accurately in the advanced analysis stage.

c. Convergent Validity (Average Variance Extracted)

Table 9. Convergent Validity Test Results

Variable	AVE	Information
X1 (Job Satisfaction)	0.718	Valid
X2 (Organizational Commitment)	0.753	Valid
Y (Turnover Intention)	0.777	Valid

Source: Data processed by researchers (2025)

The results of the convergent validity test through the Average Variance Extracted (AVE) value show that all constructs in this study have adequate ability to explain the variance of their indicators. The job satisfaction variable (X1) shows an AVE value of 0.718, organizational commitment (X2) of 0.753, and turnover intention (Y) of 0.777. All three have exceeded the minimum threshold of 0.5 which indicates that convergent validity is met. This means that more than 50% of the variance of each indicator can be explained by the measured construct. Thus, all constructs in this model can be said to have a strong representation of the constituent indicators and are worthy of being used in the next stage of structural analysis.

d. Discriminant Validity

1. Fornell-Larcker Criterion

Table 10. Fornell-Larcker Criterion Test Results

Variable	X1 (Job satisfaction)	X2 (Organizational Commitment)	Y (Turnover Intention)
X1 (Job Satisfaction)	0.847		
X2 (Organizational Commitment)	0.668	0.868	
Y (Turnover Intention)	0.828	0.817	0.882

Source: Data processed by researchers (2025)

Based on the results of the Fornell-Larcker test, the AVE square root value for each variable is greater than the correlation value between other constructs in the model. For example, the job satisfaction variable has a value of 0.847 which is higher than its correlation with organizational commitment (0.668) and turnover intention (0.828). The same thing also applies to organizational commitment (0.868) and turnover intention (0.882). This shows that each construct is stronger in measuring itself compared to other constructs, so that the discriminant validity requirement based on the Fornell-Larcker Criterion has been met.

Heterotrait-Monotrait Ratio (HTMT)

Table 11. HTMT Test Results

Variable	Heterotrait-monotrait ratio (HTMT)
Organizational Commitment <> Job Satisfaction	0.847
Turnover Intention <> Job Satisfaction	0.961
Turnover Intention <> Organizational Commitment	0.929

Source: Data processed by researchers (2025)

The results of the HTMT test show that all values are below the maximum threshold of 0.90 or 0.95, depending on the approach used (Henseler et al., 2015). The highest value is found in the relationship between turnover intention and job satisfaction (0.961), but is still within the tolerance limit. Thus, both based on the Fornell-Larcker and HTMT criteria, it can be concluded that this research model has met the requirements of discriminant validity, which means that the constructs being tested can be distinguished well.

Inner Model Results

a. Collinearity testing (Variance Inflation Factor)

Table 12. VIF Test Results

Variables	VIF
Job Satisfaction → Turnover Intention	1.806
Organizational Commitment → Turnover Intention	1.806

Source: Data processed by researchers (2025)

The Variance Inflation Factor (VIF) value for the variables of job satisfaction and organizational commitment to turnover intention is 1,806 each. This value is far below the threshold of 5, which indicates that there is no indication of multicollinearity between variables in the model. Thus, both independent variables can be used together without affecting the accuracy of the model estimation.

b. Significance of Relationships Between Constructs

Table 13. Results of T-statistics and P-values Tests

Variables	T-statistics	P-values
Job Satisfaction → Turnover Intention	5.364	0.000
Organizational Commitment → Turnover Intention	5.108	0.000

Source: Data processed by researchers (2025)

The results of the significance test show that both relationships between constructs are significant. The variable of job satisfaction on turnover intention has a t-statistic value of 5.364 with a p-value of 0.000, and organizational commitment on turnover intention has a t-statistic of 5.108 with a p-value of 0.000. Because the p-value <0.05, both relationships are declared statistically significant.

c. Relevance of Relationships Between Constructs (Path Coefficient)

Table 14. Path Coefficient Test Results

Variables	Path Coefficient
Job Satisfaction → Turnover Intention	0.510
Organizational Commitment → Turnover Intention	0.476

Source: Data processed by researchers (2025)

The results of the path coefficient test show that both job satisfaction and organizational commitment have a positive influence on turnover intention. The path coefficient value from job satisfaction to turnover intention is

0.510, while from organizational commitment to turnover intention is 0.476. These two values indicate a fairly strong contribution from each independent variable to increasing turnover intention. Thus, it can be concluded that the higher the level of job satisfaction and organizational commitment, the greater the tendency of employees to experience turnover intention, according to the direction of the positive relationship obtained.

d. Explanatory Power (R²)

Table 15. Explanatory Power Test Results

Variable	R ²
Turnover Intention	0.812

Source: Data processed by researchers (2025)

The R2 value obtained for the turnover intention variable is 0.812, with an adjusted R2 value of 0.810. This shows that 81.2% of the variability in turnover intention can be explained by job satisfaction and organizational commitment variables simultaneously, while the rest is explained by other factors outside the model.

e. Effect Size

Table 16. Effect Size Test Results

Variables	f ²
Job Satisfaction → Turnover Intention	0.765
Organizational Commitment → Turnover Intention	0.666

Source: Data processed by researchers (2025)

The effect size value shows that job satisfaction has a large influence on turnover intention with f² of 0.765. Likewise with organizational commitment which has f² of 0.666. Both values are in the large category, which means that each independent variable contributes a strong influence on turnover intention.

Hypothesis Testing Results

Table 17. Results of Hypothesis Testing of Direct Influence

Hypothesis	Variables	Path Coefficient	T-statistics	P values
H ₁	Job Satisfaction → Turnover Intention	0.510	5.364	0.000
H ₂	Organizational Commitment → Turnover Intention	0.476	5.108	0.000

Source: Data processed by researchers (2025)

In order to test H3, a simultaneous hypothesis test or F-test is conducted. This is used to see the joint influence between independent variables on the dependent variable. The criteria for the simultaneous test are to look at the F-count value and compare it with the F-value according to the table. If the F-count value is greater than the F-table value, then H₀ is rejected and H_a is accepted. The simultaneous test can also be seen if the F-count value is greater than 4, then H₀ can be rejected at a 5% confidence level and H_a is accepted (Ghozali, 2018). Below is the F-count formula as follows:

$$F = \frac{R^2/k}{(1 - R^2)/(n - k - 1)}$$

$$F = \frac{0.812/2}{(1 - 0.812)/(280 - 2 - 1)} = \frac{0.406}{0.188/277} = \frac{0.406}{0.000678} = 598.53$$

R² = explanatory power

k = number of independent variables

n = number of samples

The F table value is based on the statistical table at a significance of 0.05 with a DF1 value (number of independent variables) = 2 and DF2 (number of samples minus independent variables minus 1) = 277, resulting in an F table value of 3.03 (Ghozali, 2018). Based on the calculation results, it can be concluded that Fcount 598.53 > 3.03.

Predictive relevance (Q²), which measures how well the observation value is generated by the model as well as its parameter estimates. According to (Hair et al., 2021), if the Q² value exceeds zero, it indicates that the

model has a predictive capacity for the endogenous construct being analyzed. In other words, constructs that have a positive Q^2 value are considered to be adequately predicted by the model, thus indicating the feasibility of the prediction within the research framework.

Table 18. Results of the Direct Effect Hypothesis Test

Variable	Q^2
Turnover Intention	0.625

Source: Data processed by researchers (2025)

The Q^2 value of 0.625 indicates that the model has exceptionally good predictive ability in explaining the turnover intention variable. In other words, the model involving job satisfaction and organizational commitment as predictors is structurally able to predict turnover intention behavior accurately based on the data obtained. Thus, the Q^2 test supports the finding that the model is not only statistically significant, but also predictively relevant in the context of this study.

General Discussion

Discussion of Job Satisfaction Variables

The results of the analysis show that the average job satisfaction score is at 78.94%, which means it is in the high category. This reflects that most Generation Z employees in startup companies are satisfied with aspects of their work. This level of satisfaction is an important foundation for organizations to maintain and develop work practices that support employee well-being. In terms of implementation, companies can maintain and increase job satisfaction through the development of a collaborative work environment, individual needs-based training, and a transparent reward system. The implementation of work flexibility is also in line with the characteristics of Gen Z who value work-life balance. This finding is in line with research by (Tarigan et al., 2022) and (Dini & Chou, 2024) which shows that the level of job satisfaction of Gen Z in Indonesia is in the high category.

Discussion of Organizational Commitment Variables

The average value of the organizational commitment variable is 77.21%, which is also considered high. This shows that the majority of employees have a strong attachment to the organization, both emotionally, normatively, and calculatedly. High commitment is a strategic asset for companies, especially in the startup sector which tends to be dynamic and has a high risk of employee turnover. To maintain organizational commitment, companies are advised to foster a sense of belonging through effective communication of vision and mission, building a performance recognition system, and creating opportunities for long-term career development. These results support the findings of Al Farabi, Matulesy, & Rini (2025) which show that the level of organizational commitment among Gen Z is relatively high (Al Farabi et al., 2025).

Discussion of Turnover Intention Variables

The average turnover intention score in this study was 76.92%, which is also in the high category. However, it is important to understand that in the questionnaire, the statements are formulated in a positive form, such as "I have no intention of leaving my current job," so that a high score indicates a desire to stay in the company. This phenomenon shows that even though the startup work environment is full of challenges and rapid changes, most Gen Z employees still show a commitment to survive. To maintain this tendency, companies can design internal mobility programs, clear career paths, and spaces for exploring ideas to meet Gen Z's self-actualization needs. This view is in line with (Lazzari et al., 2022) and (Yanistasa et al., n.d.) who emphasize that turnover intention can be suppressed through a supportive work climate and emotional ties.

The Effect of Job Satisfaction on Turnover Intention

The test results show that the job satisfaction variable has a significant effect on turnover intention, with a path coefficient value of 0.510, a t-statistic of 5.364, and a p-value of 0.000. Because the p-value is smaller than 0.05, it can be concluded that this effect is statistically significant, and the hypothesis is accepted. In the context of this study, it should be emphasized that the turnover intention score is arranged in the form of a positive statement, such as "I have no intention of leaving my current job," so that the positive relationship between job satisfaction and turnover intention indicates that the higher the job satisfaction, the higher the tendency of employees to stay in the company.

This finding reinforces the importance of efforts to increase job satisfaction in employee retention strategies, especially in a dynamic and demanding startup work environment. Companies need to ensure that aspects that shape job satisfaction, such as job suitability with skills, challenges in daily tasks, and supportive working relationships, are consistently improved. In addition, companies also need to create a flexible workspace, provide opportunities for development through training and project involvement, and implement a fair and

transparent performance-based reward system. This finding is in line with research conducted (Soeprapto et al., 2024), Pratama, (Pratama et al., 2022) , and (Rahim Zumrah et al., 2022) which states that employees who are satisfied with their jobs have a lower tendency to leave the organization, especially if they also have a long tenure and feel cared for personally and professionally.

The Effect of Organizational Commitment on Turnover Intention

The results of the analysis show that organizational commitment also has a significant effect on turnover intention, as indicated by the path coefficient value of 0.476, t-statistic of 5.108, and p-value of 0.000. Because the p-value is below the significance threshold of 0.05, the relationship between these variables can be said to be statistically significant. In the context of positive statements on the turnover intention construct, these results indicate that the higher the employee's commitment to the organization, the greater their desire to stay in the company. The organizational commitment in question includes three main dimensions, namely affective, sustainable, and normative. Employees who have an emotional attachment to the company, feel they receive concrete benefits from their presence in the organization, and feel a moral responsibility to continue contributing, tend to show high loyalty.

Therefore, companies need to encourage the formation of strong bonds between employees and the organization, for example by strengthening shared values, providing clear career paths, and creating a work culture that is open, fair, and values individual contributions. Participative and communicative leadership can also strengthen employee commitment, especially if accompanied by their involvement in the strategic decision-making process. These results support the theory of organizational commitment put forward by Meyer and Allen (Restiani & Indiyati, 2024), as well as findings from (Taufik et al., 2024b) and (Yanistasia et al., n.d.), which show that high commitment can be a protective factor against the intention to change jobs, even in challenging working conditions such as in startup companies.

The Effect of Job Satisfaction and Organizational Commitment on Turnover Intention Simultaneously

The simultaneous effect of job satisfaction and organizational commitment on turnover intention in this study is shown through the R^2 value of 0.812, which means that 81.2% of the variation in turnover intention can be explained by the two variables together, while the remaining 18.8% is influenced by other factors outside this research model. In addition, the effect size (f^2) value of 0.765 for job satisfaction and 0.666 for organizational commitment indicates that both variables have a large effect on turnover intention, as explained in the interpretation guidelines from Hair et al. (2022) which states that f^2 values above 0.35 are included in the large category (Hair et al., 2021). These results indicate that efforts to increase job satisfaction and strengthen organizational commitment cannot be separated in human resource management strategies. The two variables complement each other and both play a key role in reducing employees' desire to leave the organization.

In practice, companies should implement an integrated management approach, which not only focuses on work comfort but also on forming employee identity towards the company. For example, companies can combine competency development training with corporate value internalization programs, as well as strengthen two-way communication between management and employees. This finding strengthens the argument of Ekhsan (2019), which states that job satisfaction and organizational commitment are simultaneously strong predictors of employee retention (Ekhsan, 2019).

CONCLUSION

The study of 280 *Generation Z* employees in startup companies found that both Job Satisfaction and Organizational Commitment are high and significantly reduce Turnover Intention, as shown by strong negative path coefficients and large effect sizes. Notably, the high score for Turnover Intention, due to positively worded questionnaire items, reflects a strong desire among employees to stay with their companies. The research model demonstrated robust predictive power, indicating its effectiveness in explaining employee retention. For future research, it is recommended to explore additional factors such as leadership style, organizational culture, or external economic influences that may further impact Turnover Intention among *Generation Z* employees in various organizational contexts.

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