

# THE INFLUENCE OF CORPORATE CULTURE, WORK ENVIRONMENT AND JOB SATISFACTION ON EMPLOYEE RETENTION AT PT PUPUK ISKANDAR MUDA

**Rafika<sup>1</sup>, Likdanawati<sup>2</sup>, Ibarahim Qamarius<sup>3</sup>, Nurmal<sup>4</sup>**

<sup>1</sup>Student in the Management Study Program, Faculty of Economics and Business,  
Universitas Malikussaleh, Indonesia

<sup>2,3,4</sup>Lecturer in the Management Study Program, Faculty of Economics and Business,  
Universitas Malikussaleh, Indonesia

Email: [rafika.210410029@mhs.unimal.ac.id](mailto:rafika.210410029@mhs.unimal.ac.id), [likdanawati@unimal.ac.id](mailto:likdanawati@unimal.ac.id), [ibrahimq@unimal.ac.id](mailto:ibrahimq@unimal.ac.id),  
[nurmala@unimal.ac.id](mailto:nurmala@unimal.ac.id)

Correspondence Author: [likdanawati@unimal.ac.id](mailto:likdanawati@unimal.ac.id)

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## Abstract

This study aims to analyze and understand the influence of corporate culture, work environment, and job satisfaction on employee retention at PT Pupuk Iskandar Muda. This study uses a quantitative approach with a survey method, with a population of 630 employees of PT Pupuk Iskandar Muda. The sample in this study was 103 employees where the sampling technique used was purposive sampling with the Slovin formula. The independent variables in this study are corporate culture, work environment, and job satisfaction, while the dependent variable is employee retention. Variable measurements use a Likert scale, Data were analyzed using multiple linear regression analysis and hypothesis testing was carried out partially (t-test) and simultaneously, Classical assumption tests such as normality and multicollinearity were also carried out to ensure the validity of the model. The results showed that corporate culture, work environment, and job satisfaction partially and simultaneously have a positive and significant effect on employee retention at PT Pupuk Iskandar Muda, Job satisfaction variables have the greatest influence compared to other variables. Simultaneously, these three variables are able to explain 59.8% of the variation in employee retention, indicating a fairly strong influence.

**Keywords:** *Employee Retention, Corporate Culture, Work Environment, Job Satisfaction, PT Pupuk Iskandar Muda*

## INTRODUCTION

In the era of globalization and increasingly intense business competition, companies face significant challenges in maintaining quality human resources. Employee retention is one of the main challenges faced by companies. (Srimulyani 2020) articulates the concept of employee retention as an organizational effort aimed at preserving the workforce within the company, as evidenced by various strategies and initiatives designed to encourage employees to remain affiliated with the organization for a long period of time. Employee retention is the ability of an organization to retain its employees. One way to retain employees is by managing employee turnover rates. (Gary Dessler, 2015) High employee turnover rates often have negative impacts, including increased recruitment and training costs, decreased productivity, and disrupted organizational stability. To address this, companies must understand the factors that influence employee retention, such as company culture, work environment, and job satisfaction. Agencies need to pay serious attention to their employees to reduce turnover rates. Based on observations using questionnaires for the initial data survey conducted by researchers at PT Pupuk Iskandar Muda, it was found that the majority of employees responded in the agree and strongly agree categories to statements reflecting HR management practices that support employee retention. PT Pupuk Iskandar Muda employees feel that the company has provided a relatively structured career development path, both through training, workshops, and opportunities to participate in competency certification programs. However, there are still several complaints from young employees

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regarding the lack of transparency regarding career roadmaps and the waiting time for promotions that is considered too long. The majority of employees feel that the rewards given by PT Pupuk Iskandar Muda, both in the form of financial compensation (salary, allowances, and bonuses) and non-financial (performance recognition), are quite appropriate for their workload. This contributes positively to work morale and loyalty. However, there are some employees who feel that their contributions have not been fully recognized, especially in the form of performance-based incentives. This can give rise to feelings of dissatisfaction and potentially encourage employee intentions to change jobs, especially among the younger generation who are more sensitive to reward fairness. From this phenomenon, it can be concluded that employee retention at PT Pupuk Iskandar Muda is influenced by the availability of career development opportunities, fair rewards, and a comfortable working atmosphere. Although most indicators have been met well, there is still room for improvement, especially in terms of career development transparency and strengthening the performance-based reward system. If the company continues to improve these three aspects, the potential for employee loss due to dissatisfaction can be minimized, and employee loyalty can be further enhanced. Based on this phenomenon, it is in accordance with research conducted by (Nitisemito, AS 2018) which states that career development and fair rewards are the main factors influencing workforce retention.

There are several aspects that can influence employee retention, including Company Culture, a key element in shaping employee behavior and loyalty. A positive company culture creates a strong sense of belonging, so employees are more likely to stay. Johsua (2015), states that the better the company's cultural values adopted, the higher the level of employee performance, which indicates that better employee performance means a greater employee intention to stay in the company for a long time. According to research conducted by Nguyen and Ngo (2020), a strong corporate culture can increase employee motivation and reduce turnover rates. There is a phenomenon regarding the corporate culture that exists at PT Pupuk Iskandar Muda, where the company faces various corporate culture challenges related to conflicts of interest, PT Pupuk Iskandar Muda has a policy that regulates conflicts of interest, such as dual positions that can interfere with employee professionalism and gratuities that can affect independence and objectivity. As well as the work environment, although PT Pupuk Iskandar Muda has two urea and ammonia fertilizer factory units (PIM-1 and PIM-2) and is a subsidiary of PT Pupuk Indonesia (Persero), the issue of the work environment related to corporate culture is still a concern. The results of initial observations and questionnaire distribution, there is a phenomenon at PT Pupuk Iskandar Muda that shows that PT Pupuk Iskandar Muda provides space for employees to innovate or improve work systems or improve work systems, including in technical decision making. However, concerns are still found in several risks of errors, because the impact can be fatal or lead to negative evaluations from superiors. As a result, employees play it safe and are reluctant to try new approaches that are more efficient but too risky. As a company engaged in production and distribution. Coordination between units is crucial at PT Pupuk Iskandar Muda. Everything from production and human resources to logistics and marketing must be aligned to achieve common goals.

A work culture that prioritizes cross-departmental collaboration has developed considerably. This is evident in the routine of coordination meetings and a structured internal communication system. However, in practice, a silo mentality (a compartmentalized work mentality) is still found in some areas, where units tend to focus solely on their own tasks without considering the needs of other units. This condition sometimes causes delays in processes or miscommunication that impact the achievement of work targets. Therefore, a coordinative culture needs to be strengthened, especially through systemic and interpersonal approaches, such as cross-divisional forums or collaborative projects involving more than one unit. It can be concluded that the corporate culture at PT Pupuk Iskandar Muda is already moving towards an organization that is open to risk-taking and encourages cross-unit coordination, but it is not yet fully optimal. This is in line with research conducted by (Denison, DR 2015) which concluded that organizational effectiveness is influenced by a culture that encourages coordination and the ability to make risky decisions. In addition to corporate culture, the work environment is also an important factor influencing employee retention. A comfortable, safe, and supportive work environment can increase employee satisfaction, which leads to increased employee retention. According to Sedarmayanti (2018), the work environment is all physical conditions around the workplace that can affect employees both directly and indirectly. A conducive work environment will have a positive impact on the continuity of employee work, conversely, a less conducive work environment will have a negative impact on the continuity of employee work. Research conducted by Jain and Kaur (2019) shows that the quality of the work environment is directly related to employee retention, especially in industries that require high emotional involvement. A conducive environment greatly influences employee comfort, productivity, and loyalty. At PT Pupuk Iskandar Muda, several aspects of the work environment have shown an important role in creating a positive work atmosphere. There is a phenomenon of the work environment at PT Pupuk Iskandar Muda, including the physical condition of the work environment. PT Pupuk Iskandar Muda employees generally feel quite satisfied with the physical condition of the work environment. The work space is equipped with

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adequate lighting and ventilation, the cleanliness of the room is well maintained, and the work area is designed to support safety and comfort. However, in some units, employees still complain about unstable room temperatures or noise from production machines that disturb concentration. The working relationship between employees at PT Pupuk Iskandar Muda tends to be harmonious. The work environment at PT Pupuk Iskandar Muda basically supports employee performance and welfare, characterized by good physical working conditions, harmonious interpersonal relationships, and organizational concern for job security. However, challenges such as inequality in policy implementation, limited facilities in some units, and the need to increase superior responsiveness to employee complaints need to be addressed immediately to create a more optimal work environment. This is in line with research conducted by (Afriliani, R. 2015) which shows that the physical condition of the work environment greatly influences performance. Job satisfaction is also a significant factor influencing employee retention. Job satisfaction is a positive feeling that arises when employees perceive their work as meeting their expectations and needs. Employees who are satisfied with their work tend to have higher levels of organizational commitment. Several aspects that influence job satisfaction are fair pay, career development opportunities, and a balance between career development and work-life balance. There is a phenomenon regarding promotions at PT Pupuk Iskandar Muda. While the promotion system has a clear and procedural structure, based on several employee complaints, the promotion process is still considered not fully transparent. Some employees feel that promotions are more likely to be given to employees with a personal relationship with their superiors than based on work performance. This has the potential to create a sense of injustice and reduce work morale, especially for employees who feel they are performing optimally but are not receiving opportunities for development.

Supervisory or leadership style significantly influences job satisfaction. At PT Pupuk Iskandar Muda, supervisory patterns from superiors are generally formal and structural, which is in line with the characteristics of a state-owned enterprise (BUMN) organization. However, in practice, several work units still implement an authoritarian supervisory style that provides little space for employees to express their opinions. Most employees feel that not all superiors are capable of being communicative and supportive leaders. This situation can reduce work comfort and discourage employees from expressing ideas or innovations. From the above phenomenon, it can be concluded that the level of employee job satisfaction at PT Pupuk Iskandar Muda is influenced by the clarity of the promotion system and supervisory patterns. Although the company has provided adequate facilities and compensation, aspects of fairness and interpersonal communication remain areas for improvement to increase overall job satisfaction. This is also in line with research conducted by Kim and Park (2017), which found that job satisfaction significantly mediates the relationship between the work environment and employee retention.

## LITERATURE REVIEW

From research conducted by Husain Nurisman (2018), work environment, organizational culture and employee development have a positive effect on job satisfaction and job satisfaction has a positive effect on employee retention. With this relationship proven, suggestions that can be given to organizations in this case PT. Pamapersada Nusantara in order to increase employee retention, it is necessary to consider always involving superiors in order to keep Gen Y employees from leaving the company by requiring each superior to conduct coaching and counseling every month. Based on research conducted by Nina Andriyani (2020), the influence of job satisfaction, compensation and work environment at PT. Gazia Multi Usaha is known that the job satisfaction variable has a positive and significant effect on employee retention, the compensation variable has a positive and significant effect on employee retention and the work environment variable has a positive and significant effect on employee retention. Based on the descriptive analysis test tool, it is known that there are still several indicators that have the lowest scores compared to other indicators, this reflects that there is still a lot to be improved so that employee retention remains good at PT. Gazia Multi Usaha.

From the research conducted (Seran et al., 2018), the results of the study conducted at PT. Surya Batara Mahkota Kupang showed that the influence of job satisfaction and work environment had an effect on employee retention. This was because the value of job satisfaction variables which included salary, the work itself, promotion opportunities, supervision and coworkers partially influenced employee retention with a calculated t value of 2.720 while the work environment variables which included light, air temperature, color and sound partially influenced employee retention with the appropriate calculated t value of 3.865. Based on research conducted by Putu Agus Praditya Adi Putra et al (2018), the results of the study showed that organizational culture had a positive and significant influence on employee retention. This shows that when organizational culture is implemented well within the company it can increase employee retention. Organizational commitment has a positive and significant influence on employee retention. The higher the organizational commitment that employees have to a company, the more it will increase employee retention. Compensation also has a positive and significant influence on employee retention.

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This is because it shows that the greater the compensation given to employees by the company, the more it will increase employee retention. From the research conducted by Putu Suindra Aditya Pradipta et al (2019) who conducted research at Batur Natural Hot Spring, that compensation has a positive and significant influence on employee retention at Batur Natural Hot Spring. This shows that the better the compensation provided by Batur Hot Spring, the employee retention will also increase. Job satisfaction also has a positive and significant influence on employee retention at Batur Natural Hot Spring. This shows that the higher the job satisfaction of Batur Natural Hot Spring employees, the employee retention rate will also increase. Career development has a positive and significant influence on employee retention at Batur Natural Hot Spring. This shows that the higher the career development of Batur Natural Hot Spring employees, the employee retention rate also increases. Batur Natural Hot Spring should be able to pay more attention to appropriate benefits for the work they do, so that employees will stay in the company so that Batur Natural Hot Spring can reduce costs incurred due to recruiting new employees.

Based on research conducted by Desak Made Yuni Astuti et al. (2019), the results of the study conducted at the Keumala Beach Hotel, Legian, showed that the non-physical work environment has a positive and significant effect on employee retention. This indicates that the better the non-physical work environment recommended by employees, the greater the employee's desire to stay with the company, resulting in higher retention. Organizational engagement has a positive and significant effect on employee retention. This indicates that the higher the organizational engagement an employee has, the greater the employee's desire to stay with a company, resulting in higher employee retention. From the research conducted by Syam Singh Inda and Dr. Shivani Mishra (2016) who conducted research in the manufacturing industry, there are research results showing that the relationship between various key variables namely job satisfaction, employee compensation, and employee retention was found to be significant which shows that all key variables have an influence on other variables as well which means that Employee Compensation, Job Satisfaction and Work Environment have a positive influence on each other and play a major role in Employee Retention which is also revealed in the research conducted by Imna, M and Hassan, Z. (2015) in their research entitled The Influence of Human Resource Management practices on Employee Retention in the Maldivian Retail industry stated that the research findings revealed that it is important to note that reward and compensation practices have a significant and positive influence on employee retention. This is evident in many organizations.

From research conducted by (Padmavathi, 2023) The study found that a sustainable work environment positively influences job engagement, job satisfaction, and employee retention. The study revealed that a sustainable work environment positively predicts employee retention, and job engagement and job satisfaction fully mediate the relationship between a sustainable work environment and employee retention. These findings also imply that e-commerce companies can invest more in job engagement because engaged employees are more likely to stay in the organization. Furthermore, companies can focus on satisfying their employees by offering various well-being measures such as flexible working hours, timely appraisals, engaging them in various work-related activities, etc. Based on research conducted by (Tanamal et al., 2023) The results of the study found that organizational culture has a significant effect on job satisfaction in the laboratory department of PT. Indo Muro Kencana. The work environment has a direct and significant positive effect on job satisfaction in the laboratory department of PT. Indo Muro Kencana, organizational culture has a direct and significant positive effect on the performance of employees in the laboratory department of PT. Indo Muro Kencana, the work environment also has a direct and significant positive effect on the performance of employees in the laboratory department of PT. Indo Muro Kencana, job satisfaction has a significant direct effect on the performance of employees in the laboratory department at PT. Indo Muro Kencana while organizational culture indirectly affects employee performance where job satisfaction functions as an intervening variable in the laboratory department of PT. Indo Muro Kencana. However, there is an indirect effect of the work environment on employee performance with job satisfaction as an intervening variable in the laboratory department of PT. Indo Muro Kencana. The research conducted by (Habib et al., 2014)

With a focus on research working in various organizations in the Multan, Punjab, and Pakistan regions, the research results found a positive and significant correlation between the impact of organizational culture on employee commitment, job satisfaction, and employee retention. The study found that organizational culture is an important element that greatly influences employee commitment, job satisfaction, and employee retention. Because organizational culture has a positive or negative impact on these three variables and is considered the basis of any organization's performance. If the organizational culture is positive, it will increase employee commitment, job satisfaction, and reduce employee retention, automatically increasing performance. It is easy to develop an organization in a positive way when every employee is on the right track. It is seen in this study that a strong organizational culture greatly helps new employees to adopt the organizational culture and gain a competitive advantage.

METHOD

The research location is the place where the researcher obtains information regarding the required data. The research location is also the place where the research is conducted. The selection of the location must be based on considerations of interest, uniqueness, and suitability to the chosen topic. By selecting this location, the researcher is expected to find meaningful and new things, Suwarma AL Mughtar (2015). This research was conducted at PT Pupuk Iskandar Muda, which is located in the Lhokseumawe industrial zone (ZILS) approximately 274 km east of Banda Aceh, in Krueng Geukueh, Dewantara District, North Aceh Regency, Aceh Province, Indonesia. A population is an object or subject that has certain characteristics determined by the researcher to be studied and conclusions drawn. A population can be people, animals, objects, companies, or institutions whose numbers can be counted. A population is a collection of elements with certain characteristics that

can be used to form conclusions, population can also be interpreted as the sum of all objects or individual units observed in the study (Ghozali, 2018). Meanwhile, according to Handayani (2020) population is the totality of each element to be studied so that it will make it easier for researchers to collect various information needed (Reza Hendri Yana, 2023). The population used in this study was all employees at PT Pupuk Iskandar Muda (PIM), totaling 630 employees. The sample is a portion of the population that is expected to represent the population, the sample should meet the desired criteria and the most appropriate number of sample members used in the study depends on the desired level of error (Sugiyono, 2018).

The sampling technique used in this study is non-probability sampling, or more precisely, the purposive sampling method. According to Sugiyono (2018), purposive sampling is a sampling technique based on certain considerations that are appropriate for use, or sample selection based on certain criteria determined by the researchers themselves to suit the needs of their research. The sample size that can be taken is 20-10% of the research population. Therefore, in this study, the researcher took a sample size from a population with a margin of error of 9% of the research population. The reason the researcher chose the sample using purposive sampling was to make it easier to find respondents. The researcher stated that the Slovin formula was used because the researcher only needed a sample to represent the entire population. The Slovin formula is as follows:

$$n = \frac{N}{1 + (N \cdot e^2)}$$

Information :

n = Number of samples

N = Population size

e = Maximum error tolerance of 9%

The employee population at PT Pupuk Iskandar Muda (PIM) is 630. Therefore, the required sample size for this study is:

$$n = \frac{630}{1 + (630 \cdot 0,09^2)}$$
$$n = \frac{630}{1 + 5,103}$$
$$n = \frac{630}{6,103}$$

$$n = 103 \text{ respondents}$$

Based on the results of the sample calculation using purposive sampling with the Slovin formula above, the results obtained are that the sample to be used in this study is 103 employees at PT Pupuk Iskandar Muda.

RESULTS AND DISCUSSION

Data Normality Test Results

The results of the normality test in this study using the Kolmogorov-Smirnov statistical approach showed an Asymp.Sig value of 0.200, which is greater than the specified significance value of 0.05. Thus, it can be concluded that the independent variable (X) and dependent variable (Y) in this study are normally distributed.

Multicollinearity Test Results

The multicollinearity test can be seen from the VIF value for each study as follows:

1. The VIF value for the Corporate Culture variable is  $2.474 < 10$  and the tolerance value is  $0.404 > 0.10$  so it can be concluded that the Corporate Culture variable does not show symptoms of multicollinearity.

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2. The VIF value for the Work Environment variable is  $1.784 < 10$  and the tolerance value is  $0.561 > 0.10$  so it can be concluded that the Work Environment variable is also stated to have no symptoms of multicollinearity.
3. The VIF value for the Job Satisfaction variable is  $2.185 < 10$  and the tolerance value is  $0.458 > 0.10$  so it can be concluded that the Job Satisfaction variable does not experience multicollinearity.

## Heteroscedasticity Test Results

The results of the heteroscedasticity test displayed in Figure 4.2 show that the distribution of points on the scatterplot graph does not form a particular pattern and is spread above and below the number 0 on the Y axis. Thus, it can be concluded that the regression model used does not experience heteroscedasticity.

## Multiple Linear Regression

### Results of Multiple Linear Regression Analysis

	Unstandardized		Standardized		<i>t</i>	<i>sig</i>
	Efficient Coefficient					
	B	Std Error	Beta			
1 (Constantine)	2,578	1,449			1,779	0.018
Corporate Culture	0.234	0.068	0.340		3,444	0.001
Work environment	0.121	0.058	0.176		2,095	0.002
Job satisfaction	0.282	0.072	0.365		3,931	0,000

Source: Processed data (2025)

Based on the results of data processing in table 4.13, the following equation is obtained:

$$Y = 2.578 + 0.234X_1 + 0.121X_2 + 0.282X_3$$

Based on the results of the multiple linear regression equation above, the following results were obtained:

1. The constant value obtained is 2.578, which means that Corporate Culture (X1), Work Environment (X2), and Job Satisfaction (X3) have a constant value of 2.578.
2. The corporate culture variable (X1) obtained a coefficient value of 0.234. This indicates that every 1 unit increase in corporate culture will increase employee retention by 0.234 units, assuming other variables remain constant.
3. The work environment variable obtained a coefficient value of 0.121. This indicates that every 1 unit increase in the work environment will increase employee retention by 0.121 units.
4. The Job Satisfaction variable (X3) obtained a coefficient value of 0.282. This also shows that every 1 unit increase in job satisfaction will increase employee retention by 0.282 units.

From these results, it can be concluded that the three independent variables have a positive influence on Employee Retention, with the Job Satisfaction variable having the greatest influence among the three.

## Determination Coefficient Test

The results of the coefficient of determination test in the table above obtained a coefficient value (R) of 0.781. This value indicates that there is a relationship between Corporate Culture, Work Environment and Job Satisfaction on Employee Retention. Meanwhile, the coefficient of determination (R square) value is 0.610, which means that the variables of Corporate Culture, Work Environment and Job Satisfaction together are able to explain 61% of the variation that occurs in Employee Retention. So it can be concluded that the magnitude of the influence of the variables of Corporate Culture, Work Environment and Job Satisfaction on Employee Retention is 0.610 (61%). Meanwhile, the Adjusted R square value of 0.598 indicates that the regression model in this study is able to explain 59.8% of the variation in the dependent variable. The remaining 60% is explained by other factors outside the model that were not examined in this study.

## Simultaneous Test (f)

The results of the regression test in table 4.17, then obtained the results of the simultaneous regression test (f test) with an F value of 51.526 or greater than the results of the f table of 2.70 ( $51.526 > 2.70$ ) with a significance level of 0.000 or smaller than the predetermined significance level of 0.05 ( $0.000 < 0.05$ ). So it can be concluded that

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Corporate Culture (X1), Work Environment (X2), and Job Satisfaction (X3) simultaneously influence Employee Retention (Y).

## The Influence of Corporate Culture on Employee Retention

The Corporate Culture variable has a smaller significance value of 0.001 compared to the significance level used, which is 0.05. This indicates that corporate culture has a significant influence on employee retention at PT Pupuk Iskandar Muda. In addition, the coefficient value obtained a positive value of 0.234, indicating that the influence is positive, meaning that the better the implementation of corporate culture, the higher the employee retention rate in the company. In other words, a strong and well-internalized corporate culture will make employees more motivated to stay and develop their careers in the company.

Based on the indicator measurement results, employee commitment is the aspect of corporate culture that has the greatest influence on employee retention, with a percentage of 4.15%. This indicates that employees' sense of belonging, loyalty, and willingness to make long-term contributions significantly influence their decision to remain with the company. Employees with high commitment tend to feel aligned with the company's vision and mission, resulting in more stable working relationships. Conversely, the indicator with the lowest score is the organization's tolerance for risky work. This indicates that the corporate culture at PT Pupuk Iskandar Muda is still not optimal in providing adequate support or tolerance for work activities that carry certain risks. This lack of tolerance can impact employees' sense of security and reduce their comfort.

The results of this study align with the theory that a positive corporate culture can create a conducive work environment, so that employees feel valued and recognized for their contributions. When corporate values align with employees' personal values, they tend to be more satisfied and committed, ultimately increasing retention. The positive coefficient in this study reinforces the view that any improvement in the quality of corporate culture will have a positive effect on employee retention. This finding is also supported by previous research conducted by Putu Agus Praditya Adi Putra and Wayan Mudiarta Utama (2018), in which they found that Corporate Culture has a positive effect on Employee Retention. Their results indicate that a consistently developed corporate culture can increase employee loyalty and reduce turnover rates. This relationship strengthens the evidence that corporate culture is not merely a symbol or slogan, but a strategic element that influences the sustainability of work relationships.

## The Influence of Work Environment on Employee Retention

Based on the results of the hypothesis test, the work environment variable has a smaller significance value of 0.002 compared to the level used, namely 0.05. This proves that the work environment has a significant influence on employee retention at PT Pupuk Iskandar Muda. Furthermore, the regression coefficient value obtained is 0.121 with a positive direction, indicating that an increase in the quality of the work environment will be followed by an increase in the employee retention rate. In other words, the better the work environment created by the company, the greater the tendency of employees to stay in the long term. Analysis of indicators on the work environment variable shows that the most influential aspect is the physical condition of the work environment, with a percentage of 4.46%. This suggests that the comfort and suitability of physical facilities, such as office layout, lighting, and cleanliness levels, while non-physical work environment comfort such as relationships with coworkers and superiors have the greatest contribution in encouraging employees to remain with the company. Meanwhile, the indicator with the lowest influence is organizational policies and practices, with a percentage of 4.00%. These results indicate that although company policies and management practices influence retention, their contribution is relatively small compared to the physical aspects of the work environment.

The results of this study align with the view that the work environment is not merely a supporting factor but also an integral part of an effective retention strategy. A positive work environment, both physical and non-physical, creates a positive atmosphere that encourages employees to feel at home and be reluctant to leave the company. The positive coefficient value in this study supports this argument, stating that any improvement in work environment quality will be followed by an increase in employee retention rates. These findings are consistent with research conducted by Nina Andriyani (2023). In her research, Nina stated that the work environment has a positive and significant impact on employee retention. Her research confirmed that when companies provide a comfortable, safe, and supportive work environment, employee loyalty tends to increase, ultimately reducing turnover rates.

## The Influence of Job Satisfaction on Employee Retention

Based on the results of the hypothesis test, the variable of job satisfaction on employee retention obtained a significance value of 0.000, which is smaller than the specified significance level of 0.05. These results indicate that job satisfaction has a significant influence on employee retention at PT Pupuk Iskandar Muda. The regression

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coefficient value of 0.282 with a positive direction indicates that the higher the level of job satisfaction felt by employees, the greater their likelihood of remaining in the company. Thus, increasing job satisfaction is an effective strategy to maintain workforce stability. The results of the indicator analysis show that the income relationship aspect is the most influential factor on job satisfaction, with a percentage of 4.41%. This indicates that fair compensation, salary commensurate with workload, and adequate benefits are the main factors influencing employee satisfaction. Employees who feel their income is commensurate with their contributions will be more motivated to stay with the company. Meanwhile, the indicator with the lowest score is promotions, with a percentage of 4.01%. Although promotions still influence job satisfaction, their contribution is relatively smaller compared to income. This could be due to employee perceptions that promotion opportunities are still limited or that the process is not fully transparent.

This is in line with previous research conducted by (Imelda Seran et al., 2018) which stated that job satisfaction has a positive and significant effect on employee retention. In their research, Imelda and colleagues concluded that employees who are satisfied with their jobs, both in terms of compensation, work relationships, and development opportunities, will tend to stay longer in the organization. These findings support this research, where job satisfaction is proven to be an important factor influencing Employee Retention. Thus, it can be concluded from the three variables that the Job Satisfaction variable has the most positive and significant influence on Employee Retention with the greatest influence on the second indicator statement, namely about income or salary, followed by the sixth and fifth statement items, namely about facilities provided and relationships with coworkers.

## The Influence of Corporate Culture, Work Environment, Job Satisfaction on Employee Retention

The results of the hypothesis testing indicate that the three independent variables: Corporate Culture, Work Environment, and Job Satisfaction have a positive and significant effect on Employee Retention at PT Pupuk Iskandar Muda. This is evidenced by a significance value of 0.000 (less than 0.05). This significance indicates that these factors together provide an important contribution to the Employee Retention rate at PT Pupuk Iskandar Muda. The results of the indicators show that compensation and rewards are the most influential aspects of employee retention with a percentage of 4.41%. This finding suggests that the provision of fair rewards, adequate benefits, and recognition for work performance are the main factors that encourage employees to stay in the company. Meanwhile, the indicator with the lowest percentage is work relationships with a percentage of 4.01%. Although harmonious relationships with colleagues and superiors still have a role in maintaining retention, their contribution is relatively smaller compared to compensation and rewards. Overall, the results of this study confirm that an effective retention strategy at PT Pupuk Iskandar Muda needs to prioritize compensation and reward policies as a top priority. Furthermore, the Adjusted R2 value of 0.598 indicates that 59.8% of the variation in Employee Retention can be explained by these three variables. The remaining 60% is explained by factors outside the research model. Thus, the simultaneous influence of these three variables on Employee Retention can be categorized as quite strong.

## CONCLUSION

Based on the results and discussion, several conclusions can be drawn as follows:

1. Corporate Culture has a positive and significant influence on Employee Retention at PT Pupuk Iskandar Muda, with a significance value of  $0.001 < 0.05$ , thus H1 is accepted. This indicates that the stronger and more positive Corporate Culture implemented, such as freedom in completing work, effective inter-unit coordination, and open communication with superiors, the higher the tendency of employees to stay in the company.
2. The work environment has a positive and significant influence on employee retention at PT Pupuk Iskandar Muda, with a significance value of  $0.002 < 0.05$ , thus accepting H2. This means that the physical comfort of the workplace, as well as safe and supportive working conditions, will influence employees' decisions to remain with the company.
3. Job satisfaction also has a positive and significant influence on employee retention at PT Pupuk Iskandar Muda, with a significance value of  $0.000 < 0.05$ , thus H3 is also accepted. This indicates that employees who are satisfied with appropriate income, supportive work facilities, and good relationships with colleagues tend to have commitment and a desire to stay longer at the company.
4. Corporate culture, work environment, and job satisfaction simultaneously have a significant effect on employee retention at PT Pupuk Iskandar Muda, with a significance value of  $0.000 < 0.05$  and an adjusted R2 value of 0.598. This means that the three variables together are able to explain 59.8% of the variation in employee retention at PT Pupuk Iskandar Muda, while the remaining 60% is influenced by other variables not examined in this study.

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