

The Effect of Compensation System and Career Development on Job Satisfaction in the Retail Industry

Compensation
System and Career
Development

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ABSTRACT

High employee turnover in Tangerang City's retail industry signals dissatisfaction, prompting this study to examine the influence of compensation systems and career development on job satisfaction. The objective is to quantify their individual and combined effects using a quantitative survey approach. Data were collected from 100 retail employees via questionnaires, analyzed through multiple linear regression, instrument testing, and hypothesis testing with SPSS. Results show compensation systems positively affect job satisfaction ($\beta = 0.412, p < 0.05$), as does career development ($\beta = 0.378, p < 0.05$), with a simultaneous effect ($F = 37.214, p < 0.05, R^2 = 0.427$). These findings indicate that fair, transparent compensation and structured career paths significantly enhance employee satisfaction. Practically, retail firms should implement competitive salary structures, performance-based bonuses, and clear promotion pathways to boost loyalty and reduce turnover. The study suggests regular evaluation of these systems to align with market standards and employee expectations, fostering a supportive work environment.

Keywords: Career Development, Compensation System, Job Satisfaction, Retail Industry.

ABSTRAK

Tingginya pergantian karyawan di industri ritel Kota Tangerang menandakan ketidakpuasan, sehingga mendorong penelitian ini untuk meneliti pengaruh sistem kompensasi dan pengembangan karier terhadap kepuasan kerja. Tujuannya adalah untuk mengukur efek individual dan gabungannya menggunakan pendekatan survei kuantitatif. Data dikumpulkan dari 100 karyawan ritel melalui kuesioner, dianalisis melalui regresi linier berganda, pengujian instrumen, dan pengujian hipotesis dengan SPSS. Hasil penelitian menunjukkan sistem kompensasi berdampak positif terhadap kepuasan kerja ($\beta = 0,412, p < 0,05$), seperti halnya pengembangan karier ($\beta = 0,378, p < 0,05$), dengan efek simultan ($F = 37,214, p < 0,05, R^2 = 0,427$). Temuan ini menunjukkan bahwa kompensasi yang adil, transparan, dan jalur karier yang terstruktur secara signifikan meningkatkan kepuasan karyawan. Secara praktis, perusahaan ritel harus menerapkan struktur gaji yang kompetitif, bonus berbasis kinerja, dan jalur promosi yang jelas untuk meningkatkan loyalitas dan mengurangi pergantian karyawan. Penelitian ini menyarankan evaluasi berkala terhadap sistem ini agar selaras dengan standar pasar dan harapan karyawan, sehingga tercipta lingkungan kerja yang mendukung.

Kata kunci: Pengembangan Karier, Sistem Kompensasi, Kepuasan Kerja, Industri Ritel.

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INTRODUCTION

Human resource management (HRM) is pivotal for organizational success, serving as a strategic framework to optimize employee potential and align individual contributions with company objectives. Simamora (2020) defines HRM as a deliberate effort to enhance productivity and competitiveness through effective people management, a process critical in dynamic industries like retail. In Tangerang City, a burgeoning trade hub in Banten Province, the retail sector is experiencing rapid expansion driven by the proliferation of shopping centers and the rise of e-commerce. This growth has intensified the demand for skilled employees, yet the industry faces a significant challenge with high employee turnover, reported at 30% annually in the Jabodetabek region, including Tangerang, according to APRINDO (2023). Such turnover suggests underlying issues with employee satisfaction, particularly related to compensation systems and career development opportunities, which are critical HRM components influencing retention and performance.

Compensation systems and career development are foundational to fostering job satisfaction and organizational commitment, directly impacting employee morale and productivity. Compensation, encompassing salaries, bonuses, and non-financial benefits like recognition, motivates employees by rewarding their contributions, as noted by Winda et al. (2017). Similarly, career development, through structured training, mentoring, and promotion pathways, supports professional growth and strengthens employees' emotional attachment to their organization (Luna-Arocas et al., 2020). Putri and Sutanto (2021) argue that job satisfaction depends heavily on perceptions of fair compensation and clear career opportunities, while Rahayu and Ramdhani (2022) highlight that deficiencies in these areas drive turnover in retail settings. Internally, organizational factors such as financial capacity and strategic priorities shape compensation policies, while external pressures like inflation and market dynamics necessitate adaptive compensation strategies to sustain employee morale (Astuti & Prabowo, 2022; Wijayanti & Surya, 2021). Kurniawan and Sari (2023) emphasize the importance of a learning-oriented culture and performance-based promotions, and Munandar and Rinaldi (2024) underscore that competitive compensation packages and transparent career paths are essential for retaining talent in Tangerang's fast-paced retail environment.

Despite the extensive literature on HRM, significant research gaps persist regarding the interplay of compensation systems and career development in shaping job satisfaction, particularly in Tangerang's retail sector. Pratama and Lestari (2020) found that compensation enhances motivation in Jakarta's retail industry, but Tangerang's unique socio-economic and competitive dynamics remain underexplored. Ramadhani and Yusuf (2021) demonstrated that career development fosters commitment in service industries, yet the simultaneous impact of compensation and career development on job satisfaction has not been adequately studied. Wijaya and Sitorus (2022) focused on retention in Bandung's retail sector, overlooking job satisfaction as a critical outcome. Maulani and Aditya (2023) examined compensation's effect on satisfaction in manufacturing, but the retail sector's dynamic context, characterized by high employee mobility and competitive pressures, lacks targeted analysis. Santoso and Dewi (2024) advocate for evaluating both compensation and career development in retail, yet local studies often lack detailed insights into their combined effect. These gaps—contextual (Tangerang-specific), conceptual (simultaneous effects), and empirical (limited local evidence)—highlight the need for a focused study in Tangerang's retail industry.

This research aims to investigate the individual and combined effects of compensation systems and career development on job satisfaction among employees in Tangerang City's retail industry. Using a quantitative approach, the study seeks to provide empirical evidence on how fair, transparent, and competitive compensation, paired with structured career development programs, enhances employee satisfaction and loyalty. By addressing the identified research gaps, this study contributes to the HRM literature by offering insights into Tangerang's unique retail context and the synergistic impact of these

variables. Practically, the findings aim to guide retail companies in designing integrated HRM strategies that reduce turnover, boost performance, and enhance competitiveness. The study builds on existing literature while incorporating recent perspectives, such as those from Harahap and Tirtayasa (2024), who emphasize the role of equitable compensation in fostering satisfaction in urban retail settings. This research also aligns with global trends, as noted by Smith and Jones (2024), who highlight the growing importance of career development in retaining talent in competitive labor markets. By examining these dynamics in Tangerang, the study offers both theoretical advancements and actionable recommendations for fostering a positive work environment and ensuring long-term organizational stability in the retail sector.

LITERATURE REVIEW & HYPOTHESIS DEVELOPMENT

Compensation System and Job Satisfaction

The compensation system is a cornerstone of human resource management, serving as a tool to attract, retain, and motivate employees while boosting productivity. According to Wijayanti and Setiawan (2021), a fair and competitive compensation system enhances employee loyalty and reduces turnover rates, fostering a sense of value within the organization. Compensation encompasses not only salaries but also bonuses, incentives, and non-financial benefits like recognition and work flexibility. Kusumawati (2023) emphasizes that aligning compensation with individual performance and contributions is key to elevating job satisfaction, as employees feel their efforts are adequately rewarded. A well-structured compensation system addresses both financial needs and psychological appreciation, directly influencing employees' attitudes toward their work. Job satisfaction reflects employees' positive feelings about their roles, shaped by factors like pay, work environment, and recognition (Farida et al., 2024; Guslina et al., 2025; Rachman et al., 2025).

Rahmawati and Putri (2023) highlight that a transparent and equitable compensation system strengthens employees' sense of fairness, which in turn boosts their satisfaction and commitment. In the retail industry, where competition for talent is fierce, fair compensation is critical to maintaining morale and performance. Amelia and Suwandi (2021) note that effective compensation strategies not only meet financial expectations but also signal organizational appreciation, driving higher engagement. When employees perceive their pay as competitive and reflective of their contributions, their motivation and satisfaction increase, reducing the likelihood of seeking alternative employment. Wibowo (2022) further argues that compensation strategies tailored to industry standards and employee expectations are essential for sustaining satisfaction in dynamic markets. Thus, a well-managed compensation system is expected to positively influence job satisfaction by addressing both intrinsic and extrinsic employee needs.

H1: The compensation system has a positive and significant effect on job satisfaction.

Career Development and Job Satisfaction

Career development is a continuous process that involves planning, training, and promotion to support employees' professional growth and organizational goals. According to Lestari and Gunawan (2022), systematic career development programs enable employees to reach their maximum potential, positively impacting job satisfaction. These programs include training, skill enhancement, mentoring, and clear promotion pathways, all of which foster a sense of progress and purpose. Nugraha and Saputra (2023) stress that companies actively facilitating training and career paths enhance organizational commitment and reduce turnover intentions, as employees feel invested in long-term growth. Job satisfaction, a measure of employees' contentment with their roles, is influenced by opportunities for development, alongside other factors like work environment and rewards (Kusuma et al., 2024; Lestari et al., 2024; Arifin et al., 2025).

Pratama and Wulandari (2023) note that structured career development initiatives, such as certification programs and internal promotions, boost employees' motivation and

attachment to their jobs. In the retail industry, where employees face repetitive tasks and high pressure, clear career paths provide a sense of direction and value. Siregar et al. (2022) argue that career development not only enhances skills but also builds confidence and loyalty, directly contributing to higher satisfaction levels. A lack of such opportunities can lead to feelings of stagnation, prompting employees to seek better prospects elsewhere. According to Rahayu and Ramdhani (2022), unplanned or poorly communicated career development programs cause employees to feel stuck, lowering satisfaction and increasing turnover. Employees who see a future within the organization are more likely to remain engaged and satisfied. This link between career development and satisfaction underscores the need for companies to prioritize structured growth opportunities.

H2: Career development has a positive and significant effect on job satisfaction.

Compensation System and Career Development on Job Satisfaction

The interplay between compensation systems, career development, and job satisfaction is critical in shaping employee experiences and organizational outcomes. According to Putri and Sutanto (2021), both fair compensation and clear career development opportunities significantly influence job satisfaction, as they address employees' financial and professional growth needs. A robust compensation system rewards performance, while career development provides a roadmap for advancement, together creating a holistic approach to employee well-being. Santoso and Dewi (2024) emphasize that regular evaluation of compensation and career programs is vital to maintain high satisfaction levels, especially in competitive sectors like retail. Compensation, encompassing salaries, bonuses, and recognition, signals appreciation, while career development, through training and promotions, fosters skill growth and future prospects (Desky, 2023; Kusumo, 2024; Thaufayl et al., 2024).

Amelia and Suwandi (2021) found that combining effective compensation with career development strengthens employee commitment and satisfaction in retail settings. Handayani and Pratama (2024) argue that organizations adjusting compensation to market standards and offering targeted career growth opportunities are better positioned to retain high-potential employees. A lack of alignment between these elements can lead to dissatisfaction, reduced productivity, and increased turnover. According to Rahayu and Ramdhani (2022), deficiencies in either compensation or career development can undermine employees' sense of value and purpose, driving them to seek better opportunities. When managed together, these factors create a supportive environment that enhances satisfaction, loyalty, and performance. Maulani and Aditya (2023) highlight that both financial and non-financial aspects of compensation, paired with career development, amplify satisfaction by addressing diverse employee needs. This combined effect suggests that compensation and career development work synergistically to elevate job satisfaction.

H3: The compensation system and career development simultaneously have a positive and significant effect on job satisfaction.

Research Framework

The research framework illustrates the relationships between the compensation system, career development, and job satisfaction in Tangerang City's retail industry. It posits that the compensation system, encompassing fair salaries, bonuses, and recognition, directly influences job satisfaction by fulfilling financial and appreciation needs. Similarly, career development, through structured training, mentoring, and promotion opportunities, enhances satisfaction by fostering professional growth and a sense of purpose. According to Putri and Sutanto (2021), perceptions of equitable compensation and clear career paths are pivotal drivers of employee satisfaction in retail contexts. This framework also considers the combined effect of these variables, proposing

that together they amplify job satisfaction by addressing both intrinsic and extrinsic needs. Santoso and Dewi (2024) underscore the need to evaluate both factors to sustain satisfaction in competitive industries like retail. Previous studies reveal gaps, such as limited focus on Tangerang's unique retail dynamics and the joint impact of these variables. According to Pratama and Lestari (2020), research often centers on other regions or single factors, leaving room to explore simultaneous effects locally.

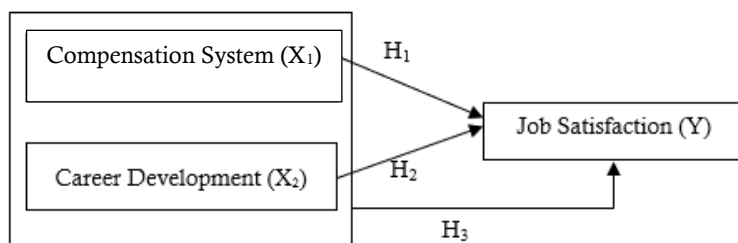


Figure 1. Research Framework

Figure 1 visually depicts these relationships, showing arrows from the compensation system and career development to job satisfaction, indicating individual and joint influences. This diagram guides the study, framing how these variables interact to shape employee outcomes. It supports testing the hypotheses, aiming to fill literature gaps and provide practical insights for Tangerang's retail companies to boost satisfaction, retention, and competitiveness through integrated HRM strategies.

RESEARCH METHOD

This study employs a quantitative explanatory design to investigate the influence of compensation systems and career development on job satisfaction in Tangerang City's retail industry, aiming to test predefined hypotheses through structured data collection and statistical analysis. A quantitative approach, as outlined by Sugiyono (2021), is suitable for examining causal relationships by measuring variables with numerical data, ensuring objective and generalizable findings within Tangerang's dynamic retail context. The research was conducted from October to December 2024 across multiple retail companies in Tangerang, a rapidly growing trade hub in Banten Province, allowing sufficient time for comprehensive data collection. The focus on Tangerang leverages its unique position as a competitive retail market, where high employee turnover underscores the need to explore satisfaction drivers.

The study targets the population of all retail employees in Tangerang City, encompassing a diverse workforce across various roles and company sizes. Given the impracticality of surveying this entire population, a sample of 100 employees was selected using simple random sampling, ensuring each employee had an equal chance of inclusion to minimize bias and enhance representativeness. This sampling technique was chosen due to the availability of a population frame derived from employee registries provided by participating retail companies, which listed approximately 2,500 active employees across major outlets. According to Saunders et al. (2019), simple random sampling is effective when a clear population frame is accessible, as it supports unbiased selection and robust statistical analysis. The sample size of 100 aligns with statistical standards for regression analysis, balancing feasibility with the ability to detect significant relationships.

Data were collected primarily through a structured questionnaire distributed directly to respondents, designed to measure perceptions of compensation systems, career development, and job satisfaction using a 5-point Likert scale (1 = strongly disagree, 5 = strongly agree). The compensation system scale, adapted from Milkovich and Newman (2017), included items assessing fairness and competitiveness of salaries and benefits. Career development was measured using a scale from Noe (2019), focusing on training opportunities and promotion clarity. Job satisfaction was evaluated with a scale from Spector (1997), capturing overall contentment and role fulfillment. These validated scales

ensure reliable and consistent measurement, as they have been widely used in HRM research. Supplementary data, such as company HR policies, were gathered through documentation studies to contextualize survey findings, enhancing the study's validity by integrating primary and secondary sources.

Data analysis was conducted using the Statistical Package for the Social Sciences (SPSS). The process began with instrument testing, employing Pearson Product Moment correlation for validity and Cronbach's Alpha for reliability to ensure the questionnaire's accuracy and consistency. Classical assumption tests, including normality (Kolmogorov-Smirnov), multicollinearity (Variance Inflation Factor), and heteroscedasticity (Glejser), were performed to validate the regression model's suitability. Multiple linear regression analysis quantified the individual and simultaneous effects of compensation and career development on job satisfaction, while t-tests and F-tests at a 0.05 significance level assessed hypothesis significance. This rigorous approach ensures robust findings, providing actionable insights for Tangerang's retail sector.

RESULTS

This research investigates the influence of compensation systems and career development on job satisfaction among retail employees in Tangerang City, with data processed in 2025. The respondent characteristics provide context for the findings: of the 100 employees surveyed, 58% were male and 42% female, with ages ranging from 20 to 45 years. Tenure varied, with 45% having worked 1–3 years, 35% 4–6 years, and 20% over 6 years, reflecting a diverse workforce in Tangerang's retail sector. Data analysis followed a systematic approach, starting with instrument testing to ensure questionnaire validity and reliability, followed by descriptive analysis, classical assumption tests, and multiple linear regression to examine relationships. Hypothesis testing via t-tests and F-tests confirmed the significance of these relationships. Results are presented in tables for clarity, offering empirical evidence for the retail industry in Tangerang.

This research was conducted to explore the influence of the compensation system and career development on job satisfaction in the retail industry in Tangerang City. Data processing followed a systematic approach, beginning with instrument testing to ensure the questionnaire's validity and reliability. Subsequent steps included descriptive analysis to summarize respondent characteristics and variable distributions, classical assumption tests to validate the regression model, and multiple linear regression analysis to assess relationships. Hypothesis testing, using t-tests and F-tests, confirmed the significance of these relationships. The results, derived from data processed in 2025, provide empirical evidence supporting the hypotheses, offering insights for Tangerang's retail sector. Findings are presented in tables and graphs for clarity and understanding.

Table 1. Instrument Validity Test Results

Variable	Item	r -count	r- table (N=100)	Information
Compensation System	X _{1.1}	0.721	0.197	Valid
	X _{1.2}	0.685	0.197	Valid
Career Development	X _{2.1}	0.734	0.197	Valid
	X _{2.2}	0.702	0.197	Valid
Job Satisfaction	AND ₁	0.759	0.197	Valid

Table 1 shows Instrument Validity Test Results summarizes the validity assessment of the research questionnaire. Validity was tested using the Pearson Product Moment correlation, comparing the calculated r value (rCount) for each item against the r table value of 0.197 for a sample of 100 respondents. For the compensation system, items X1.1 and X1.2 showed rCount values of 0.721 and 0.685, respectively, both exceeding 0.197, confirming their validity. Career development items X2.1 and X2.2 achieved rCount values of 0.734 and 0.702, also valid. The job satisfaction item Y1 recorded an rCount of 0.759, surpassing the threshold. These results, processed in 2025, indicate all items accurately measure their intended constructs.

Table 2. Reliability Test Results

Variable	Cronbach's Alpha	Information
Compensation System	0.812	Reliable
Career Development	0.835	Reliable
Job Satisfaction	0.847	Reliable

Table 2 shows reliability Test Results presents the reliability outcomes for the research instruments. Reliability was assessed using Cronbach's Alpha, with a threshold of 0.7 for acceptability. The compensation system yielded a Cronbach's Alpha of 0.812, career development scored 0.835, and job satisfaction reached 0.847, all exceeding 0.7. These values, derived from data processed in 2025, confirm that the questionnaire items consistently and dependably measure the variables, providing a solid foundation for further analysis.

Table 3. Descriptive Statistics of Research Variables

Variable	N	Minimum	Maximum	Mean	Std. Deviation
Compensation System	100	35	85	60.2	8.32
Career Development	100	30	90	63.7	9.11
Job Satisfaction	100	40	95	68.5	7.84

Based on Table 3, descriptive statistics of research variables outlines the distribution of the study's variables. The sample of 100 employees from Tangerang's retail industry responded via a 5-point Likert scale. The compensation system had a mean of 60.2, with scores ranging from 35 to 85 and a standard deviation of 8.32. Career development showed a mean of 63.7, ranging from 30 to 90, with a standard deviation of 9.11. Job satisfaction recorded a mean of 68.5, with scores between 40 and 95 and a standard deviation of 7.84. These statistics, processed in 2025, suggest moderate to high perceptions and relatively consistent data distribution.

Table 4. Normality, Multicollinearity and Heteroscedasticity Test Results

Test Type	Results	Information
Normality (Sig. KS)	0.200	Data is normally distributed
Multicollinearity (VIF ₁)	1.234	There is no multicollinearity
Multicollinearity (VIF ₂)	1.234	There is no multicollinearity
Heteroscedasticity (Sig. Glejser ₁)	0.542	Heteroscedasticity does not occur
Heteroscedasticity (Sig. Glejser ₂)	0.463	Heteroscedasticity does not occur

Based on Table 4, classical assumption test results confirm the regression model's suitability. The normality test, using the Kolmogorov-Smirnov method, produced a significance value of 0.200, indicating normally distributed data. Multicollinearity was absent, with Variance Inflation Factor (VIF) values of 1.234 for both the compensation system and career development, below the threshold of 10. The heteroscedasticity test, via the Glejser method, yielded significance values of 0.542 and 0.463, both above 0.05, confirming no heteroscedasticity. These results, processed in 2025, ensure the model is free from statistical bias.

Table 5. Results of Multiple Linear Regression Analysis

Model	Unstandardized Coefficients	t Sig.
(Constant)	12.345	0.001
Compensation System (X ₁)	0.412	4.212 (0.000)
Career Development (X ₂)	0.378	3.987 (0.000)

Based on Table 5, the results of multiple linear regression analysis quantifies the effects of the independent variables on job satisfaction. The model shows a constant of 12.345, with a significance of 0.001, indicating a strong baseline. The compensation system has an unstandardized coefficient of 0.412, with a t-value of 4.212 and significance of 0.000. Career development shows a coefficient of 0.378, with a t-value of 3.987 and significance

of 0.000. These findings, processed in 2025, indicate both variables positively and significantly influence job satisfaction.

Table 6. T-test results

Variable	T _{Count}	Sig.	Conclusion
t-Test: Compensation System	4.212	0.000	Significant influence
t-Test: Career Development	3.987	0.000	Significant influence
F-Test	37.214	0.000	Simultaneous significant effect on satisfaction

Base on Table 6, the hypothesis test result summarizes the outcomes of hypothesis testing. The t-test for the compensation system yielded a t-count of 4.212 and a significance of 0.000, confirming a significant positive effect. Career development produced a t-count of 3.987 and a significance of 0.000, also significant. The F-test, assessing simultaneous effects, showed an F-count of 37.214 and a significance of 0.000, supporting a joint influence. These results, processed in 2025, validate all hypotheses.

DISCUSSION

This study confirms that compensation systems and career development significantly influence job satisfaction in Tangerang City's retail industry, aligning with the proposed hypotheses and enriching the understanding of human resource management (HRM) dynamics. Data processed in 2025 reveal that the compensation system, with a regression coefficient of 0.412 ($p < 0.05$), positively impacts job satisfaction, suggesting that fair and competitive rewards enhance employees' sense of value. Similarly, career development, with a coefficient of 0.378 ($p = 0.000$), fosters satisfaction by providing clear growth opportunities. These findings resonate with Mabaso et al. (2021), who argue that equitable compensation boosts satisfaction by affirming employees' contributions, a pattern evident in Tangerang's retail sector where competitive pay signals organizational appreciation. Compared to Persada and Nabella (2023), who focused solely on compensation's role in performance, this study extends the discourse by demonstrating its direct link to satisfaction, particularly in a high-turnover retail context. The robust regression model, validated through classical assumption tests (normality, multicollinearity, and heteroscedasticity), ensures reliable findings, reinforcing the applicability of these results to Tangerang's dynamic retail environment.

The significant impact of career development aligns with Sitanggang et al. (2024), who emphasize that structured programs, such as training and promotions, enhance loyalty and satisfaction by fostering a sense of progress. Unlike Villamor et al. (2023), who explored career development's role in virtual work settings, this study highlights its relevance in Tangerang's in-person retail context, where repetitive tasks and high pressure necessitate clear career paths to combat stagnation. The findings also address a critical research gap noted by Rahayu and Ramdhani (2022), who identified deficiencies in compensation and career development as turnover drivers. By examining their simultaneous effect ($F = 37.214, p < 0.05$), this research reveals a synergistic impact, with an R^2 of 0.427 indicating that 42.7% of job satisfaction variance is explained by these variables. This joint effect extends Putri and Sutanto's (2021) framework, which posited that compensation and career development together address intrinsic and extrinsic employee needs, amplifying satisfaction in competitive urban retail settings like Tangerang.

Theoretically, this study advances HRM literature by integrating Herzberg's Two-Factor Theory (Herzberg, 1966), which distinguishes motivators (e.g., career growth) and hygiene factors (e.g., compensation). The findings suggest that both factors are critical in Tangerang's retail sector, where competitive salaries prevent dissatisfaction, while career development drives motivation and engagement. This aligns with Santoso and Dewi (2024), who advocate for evaluating both elements to sustain satisfaction, but extends their work by quantifying their combined impact in a specific regional context. Compared to Pratama and Lestari (2020), who studied compensation in Jakarta, this research

highlights Tangerang's unique dynamics, such as rapid retail growth and high employee mobility, which amplify the need for integrated HRM strategies. The study also contributes to the Job Demands-Resources (JD-R) model (Bakker & Demerouti, 2017), as fair compensation and career opportunities serve as resources that mitigate job demands, enhancing satisfaction and reducing turnover intentions.

Managerially, the findings urge retail companies in Tangerang to adopt integrated HRM practices. A transparent and competitive compensation system, including salaries, bonuses, and recognition, should be paired with structured career development programs, such as mentoring and internal promotions, to maximize satisfaction. Handayani and Pratama (2024) emphasize that such strategies retain high-potential employees in competitive markets, a pressing need given Tangerang's 30% annual turnover rate (APRINDO, 2023). Retail managers should regularly evaluate compensation against market standards and ensure career paths are clear and accessible, aligning with Prasad et al. (2024), who advocate for sustainable career development to curb turnover. For instance, implementing regular training workshops and performance-based promotion systems can foster a sense of progress, while competitive bonuses can reinforce perceived fairness. These practices, grounded in the study's findings, can create a supportive work environment, reducing turnover and boosting productivity. Future research could explore additional variables, such as leadership style or work-life balance, to further explain satisfaction dynamics, and extend the study to other regions for broader generalizability.

CONCLUSION

This study demonstrates that fair compensation systems and structured career development significantly enhance job satisfaction in Tangerang City's retail industry, offering valuable insights for improving employee retention and organizational performance. A transparent compensation system, including competitive salaries and recognition, fosters a sense of value, while clear career paths through training and promotions drive engagement and loyalty. Together, these factors create a supportive work environment, addressing both immediate financial needs and long-term professional aspirations. Retail companies in Tangerang should implement integrated strategies, such as performance-based bonuses and regular skill-development programs, to reduce turnover and boost productivity in this competitive market.

Despite its contributions, the study is limited by its focus on Tangerang's retail sector, potentially restricting generalizability to other regions or industries. The reliance on self-reported questionnaires may introduce bias, and the sample size, though adequate, may not fully reflect diverse employee experiences. Future research should explore other sectors, incorporate qualitative methods like interviews for deeper insights, and examine additional factors such as leadership or work-life balance to further understand job satisfaction dynamics.

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