

ABSTRACT

Turnover intention is a challenge faced by organizations, particularly in managing employees, particularly Generation Z employees, as this generation has unique characteristics compared to other generations. This study focuses on the relationship between compensation, work environment, and turnover intention among employees working in the recreation and hospitality industry in Indonesia, specifically Generation Z employees.

This study aims to determine and analyze the influence of compensation and work environment on turnover intention among Generation Z employees working in the recreation and hospitality industry in Indonesia.

This study used a quantitative method with a survey approach. Data were collected through questionnaires distributed to 268 Generation Z employees in the recreation and hospitality industry in Indonesia. Data analysis techniques in this study used descriptive analysis and SEMPLS analysis using SmartPLS 4 software. Additional analysis used Partial Least Squares Multigroup Analysis (MGA) to determine whether there are differences between male and female employees in the influence of compensation and work environment on turnover intention.

The results of this study indicate that compensation has a negative and significant effect on turnover intention, while the work environment does not have a negative and significant effect on turnover intention. There is no difference between male and female employees in the influence of compensation and work environment on turnover intention.

Suggestions for companies operating in the leisure and hospitality industry in Indonesia include improving compensation and creating a comfortable work environment to reduce turnover intention among Generation Z employees. Theoretically, these findings reinforce the importance of compensation and the work environment in influencing turnover intention and open up opportunities for developing a turnover intention model that takes Generation Z characteristics into account.

Keywords: compensation, work environment, turnover intention, Generation Z, human resource management.