



# The Effect of Compensation and Employee Empowerment on Employee Loyalty through Job Satisfaction as an Intervening Variable

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**Keywords:**

Compensation,  
Employee Empowerment,  
Job Satisfaction,  
Employee Loyalty.

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**Abstract**

This study aims to determine the influence of compensation and employee empowerment on employee loyalty through job satisfaction as an intervening variable. The research sample consisted of 113 employees of the National Library of Indonesia who worked in the Planning and Finance Bureau, the Legal, Organization, Cooperation, and Public Relations Bureau, the Human Resources and General Affairs Bureau, and the Central Education and Training Unit. The method used is a survey method with a quantitative approach. The sampling technique in this study uses Probability Sampling with the Taro Yamane formula and a 5% error rate. In hypothesis testing, the data analysis technique used is Structural Equation Modeling Partial Least Square (SEM-PLS) using SmartPLS Version 4.0 software. The results of the calculations in this study indicate that compensation has a positive and significant direct effect on employee loyalty, employee empowerment does not have a significant and negative direct effect on employee loyalty, job satisfaction has a positive and significant direct effect on employee loyalty, compensation has a positive and significant direct effect on job satisfaction, employee empowerment has a positive and significant direct effect on job satisfaction, compensation has a positive and significant indirect effect on employee loyalty through job satisfaction, and employee empowerment has a positive and significant indirect effect on employee loyalty through job satisfaction..

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## INTRODUCTION

In an agency or organization, human resources (HR) are very important in determining the success of the agency or organization, because an agency is largely made up of many human resources who are employees carrying out tasks and functions according to their respective departments. Employees play an important role because they carry out work tasks to achieve the vision and mission of the agency and also carry out a series of operational tasks. Given the critical role of employees in an organization, effective employee management is essential through the implementation of a sound human resource management system.

Employees may change in terms of character and needs over time, necessitating adaptive management through effective employee management to ensure they can perform their duties effectively. Human resources are the driving force behind an organization (Utama, 2020). This driving force of the organization must be monitored through management, which is a process of planning, organizing, and controlling (Arraniri et al., 2021). According to Hasibuan (2016), human resource management is a system for managing human resources to enable and encourage them to contribute effectively to achieving individual and organizational goals. An institution cannot function properly without proper employee management through structured human resource management.

The foundation of responsibility is loyalty, so in addition to requiring employees with adequate skills, an institution also needs loyal employees. The literal meaning of loyalty is fidelity. Loyalty refers to employees who are obedient and faithful to the organization (Onsardi et al., 2019). Loyalty is an employee's commitment to work hard enthusiastically, comply with every policy, and do their best for the organization (Heriawan & Fauzan, 2024). Loyalty is an attitude of loyalty and responsibility from employees to an agency or organization, which is reflected in good behavior that includes loyalty to one's position and agency, as well as the ability of employees to defend and protect the agency from potential harm (Julianti et al., 2024). Loyalty is not only when employees are able to work hard for the organization, but when employees uphold every rule and policy and comply with them, that is concrete evidence of loyal employees. Menurut Kurniawan (2019) The rules or norms that have been established should indeed be followed, but a sense of loyalty motivates employees to commit to adhering to these rules. According to Dessler in Rizana (2020), employees who are loyal will appreciate the work they do and be willing to work overtime when the work they enjoy is not yet finished.

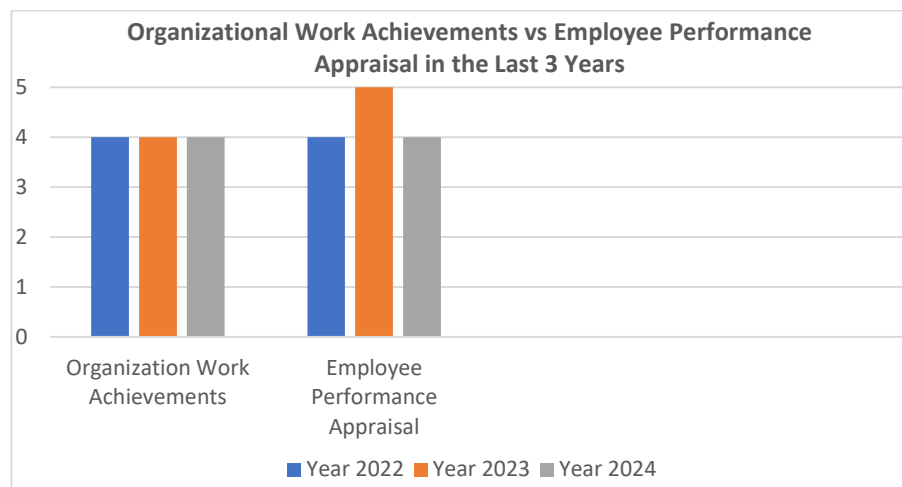
Based on the results of observations conducted by researchers using questionnaires, it was found that most employees comply with the regulations established by the National Library of Indonesia regarding the Discipline of Civil Servants' Attendance in the National Library Environment as stipulated in Regulation of the Head of the National Library of the Republic of Indonesia Number 3 of 2017. However, based on interviews with National Library of Indonesia employees, it was found that there are still employees who lack loyalty to the institution, with some employees violating rules and not working diligently, such as being absent from work but not being present in the office. Therefore, it can be concluded that there are still employees who violate institutional rules. Through loyalty, performance at the National Library of Indonesia can be improved, as employees who are loyal tend to work diligently and efficiently.

According to Moekijat in Selvia & Karneli (2023), compensation is one way to improve employee performance. Compensation is an important aspect that must be implemented properly within an organization. Compensation refers to an employee's income, which can be either financial or non-financial (Febrian & Rianggara, 2023). Financial compensation includes direct payments such as salary or wages, incentives, and bonuses. Indirect compensation includes life insurance and health benefits. Non-financial compensation includes employee welfare, workplace comfort, and psychological well-being. According to Umar in Yulianis et al. (2024), compensation is a series of sub-processes aimed at rewarding employees for their work performance, with the goal of motivating employees to achieve the expected performance.

Based on the observations and interviews conducted by the researcher with employees of the National Library of Indonesia, compensation is an important aspect of work performance. This is because, in addition to fulfilling basic living needs, compensation also plays a role in job satisfaction. However, there are issues where the facilities provided by the institution to its employees are still inadequate, such as the absence of official housing or dormitories and not all employees receiving transportation. This also includes the risk if employees live far from the office, leading to stress and fatigue, even before they start work at the office. The National Library of Indonesia also does not provide facilities for physical exercise, such as sports fields or fitness activities like yoga, zumba, and cardio, aside from the Friday exercise session. Long working hours and distant residential locations keep employees busy and limit their ability to engage in

physical activities, necessitating further action, as employee health is a crucial matter. If employees are healthy, it positively impacts work performance; however, if employees are ill, they cannot work.

Employee empowerment is an important thing to do for employees. Employee empowerment is the process of giving employees responsibility, authority, and autonomy in making decisions about their work (Motamarri et al., 2020). Employee empowerment also involves efforts to empower employees through changes and developments that foster trust, the delegation of responsibility, authority, and the ability to perform tasks effectively, all aimed at improving performance. When employees perform their duties well and this is reflected in their performance metrics, it indicates that they have a loyal attitude toward their organization.



**Figure 1.** Organizational Work Achievements vs Employee Performance Appraisal in the Last 3 Years

Source: Perpustakaan Nasional RI (2025)

Based on interviews with employees of the National Library of Indonesia, employees need to be properly empowered, because this will make them feel valued and recognized within the institution. In addition, employee development is limited to their specific fields, such as technical guidance or training on archiving and librarianship, so that skill development for employees has not yet expanded to skills outside their capabilities. For employees who wish to develop skills outside their field, they can do so outside the workplace. Therefore, employee self-improvement takes a considerable amount of time.

To achieve job satisfaction, each employee has their own standards of job satisfaction. Job satisfaction is an internal attitude characterized by emotional comfort, enjoyment, and a love for the work being done (Hasibuan, 2013). Employee job satisfaction is influenced by two factors: extrinsic and intrinsic factors (Badriyah, 2015). Extrinsic factors are those originating from external sources, such as interactions with colleagues, workplace culture, work environment, and compensation systems. Intrinsic factors, on the other hand, are directly related to the work performed by employees, such as work quality, commitment, and the level of difficulty in performing tasks. According to research conducted by Heriawan & Fauzan (2024), job satisfaction positively influences employee loyalty. When an employee has high job satisfaction, they will be loyal to their workplace. It is known that the sense of comfort and happiness of Perpustakaan Nasional Republik Indonesia employees also varies. As many as 34.9% of employees have doubts about their comfort at work, and 4.7% of employees do not feel comfortable and happy. Based on interviews with

Perpustakaan Nasional Republik Indonesia employees, it is known that the feeling of comfort at work is also dominated by the work environment.

## **METHOD**

This study used a quantitative approach with a survey method. The data collected was primary data, which was collected directly by the researcher. The researcher collected data by distributing questionnaires to respondents online via Google Forms and processed the data using SmartPLS (Smart Partial Least Square) software version 4. The population covered in this study was 146 employees who are staff or work teams in the Main Secretariat and Education and Training Center at the National Library of the Republic of Indonesia. The method used was Simple Random Sampling, where the sample was taken randomly from the population. The sample size was determined using a margin of error of 5% using the Taro Yamane formula, resulting in 107 respondents. In this study, the sampling technique used was Probability Sampling. This study used a Likert scale for measurement. The Likert scale is a common psychometric scale widely used in research questionnaires (Rahayu & Shafina, 2022). According to Sugiyono in Kurniawati & Judisseno (2022), the Likert scale is used to measure respondents' perceptions, opinions, and attitudes regarding the research topic.

According to Saydam (2011), the indicators of employee loyalty are obedience to the institution, responsibility to the institution, willingness to cooperate, a sense of belonging, good interpersonal relationships, and enjoyment of the work performed. The indicators of compensation, according to Simamora in Azhar et al. (2020), are salary, incentives, allowances, and facilities. Meanwhile, according to Widodo in Rajagukguk et al. (2023), the indicators of employee empowerment are the provision of opportunities, trust, self-confidence, and credibility. According to Robbins and Judge in Islamy (2019), there are several indicators of job satisfaction, including salary, promotion, job performance, supervision, and coworkers.

For data analysis techniques, descriptive and statistical data analysis are used. Descriptive data analysis can be seen from the mean, minimum, maximum, variance, sum, average, range, kurtosis, and skewness (Ghozali, 2018). Statistical data analysis uses the Structural Equation Modeling (SEM) method, which is aligned with variance or Partial Least Square (PLS). For data analysis techniques, Structural Equation Modeling (SEM) is used, while Partial Least Square (PLS) serves as an analytical tool (Dewi et al., 2021). SEM-PLS is a multivariate analysis technique that combines factor analysis and regression analysis to test the relationships between variables (Hair et al., 2021). According to Lin et al. (2020), PLS-SEM is more efficient for analyzing data with a small sample size compared to the Covariance-Based SEM (CB-SEM) method. According to Ghozali & Latan (2015), the PLS method is capable of providing an overview of variables that cannot be directly measured, namely latent variables, which are measured using indicators (manifest variables). The Structural Equation Modeling (SEM) model contains two types of models: the measurement model and the structural model.

## **RESULT AND DISCUSSION**

### **Result**

#### **Convergent Validity**

The test can be determined based on the outer loadings or loading factors for each construct indicator. If the loading factor value for each item is  $> 0.7$ , the indicator is valid. The following are the loading factor results in this study:

**Table 1.** Loading Factor

	<b>Employee Loyalty (Y)</b>	<b>Compensation (X1)</b>	<b>Employee Empowerment (X2)</b>	<b>Job Satisfaction (Z)</b>
Y1	0.722			
Y2	0.710			
Y3	0.738			
Y4	0.773			
Y7	0.722			
Y8	0.725			
Y9	0.734			
Y10	0.765			
Y11	0.751			
Y12	0.735			
Y13	0.709			
Y15	0.707			
X1.1		0.739		
X1.3		0.722		
X1.4		0.764		
X1.5		0.838		
X1.6		0.784		
X1.7		0.757		
X1.8		0.777		
X1.10		0.729		
X1.11		0.777		
X1.12		0.718		
X2.2			0.759	
X2.3			0.746	
X2.4			0.746	
X2.5			0.756	
X2.7			0.729	
X2.8			0.748	
X2.9			0.781	
X2.10			0.755	
X2.11			0.713	
X2.12			0.706	
Z2				0.724
Z3				0.719
Z4				0.721
Z5				0.719
Z6				0.818
Z8				0.722
Z9				0.738
Z10				0.732
Z11				0.736
Z12				0.714

Source: Data processed by researchers (2025)

## Discriminant Validity

Discriminant validity was conducted to identify and confirm that the concepts of the latent variables were different from those of other variables. This test can be determined by comparing the cross-loading values of the construct in question, which must be greater than those of other constructs. The following are the cross-loading values obtained in this test:

**Table 2.** Cross Loading Results

	<b>Employee Loyalty (Y)</b>	<b>Compensation (X1)</b>	<b>Employee Empowerment (X2)</b>	<b>Job Satisfaction (Z)</b>
Y1	<b>0.722</b>	0.453	0.383	0.447
Y2	<b>0.710</b>	0.405	0.298	0.405
Y3	<b>0.738</b>	0.510	0.491	0.595
Y4	<b>0.773</b>	0.373	0.298	0.378
Y7	<b>0.722</b>	0.322	0.291	0.454
Y8	<b>0.725</b>	0.311	0.290	0.411
Y9	<b>0.734</b>	0.269	0.332	0.400
Y10	<b>0.765</b>	0.379	0.402	0.475
Y11	<b>0.751</b>	0.342	0.374	0.422
Y12	<b>0.735</b>	0.452	0.457	0.521
Y13	<b>0.709</b>	0.514	0.440	0.511
Y15	<b>0.707</b>	0.467	0.392	0.562
X1.1	0.387	<b>0.739</b>	0.461	0.510
X1.3	0.397	<b>0.722</b>	0.420	0.417
X1.4	0.412	<b>0.764</b>	0.438	0.466
X1.5	0.419	<b>0.838</b>	0.464	0.517
X1.6	0.434	<b>0.784</b>	0.474	0.486
X1.7	0.495	<b>0.757</b>	0.486	0.517
X1.8	0.346	<b>0.777</b>	0.531	0.590
X1.10	0.468	<b>0.729</b>	0.572	0.545
X1.11	0.463	<b>0.777</b>	0.544	0.599
X1.12	0.423	<b>0.718</b>	0.588	0.540
X2.2	0.348	0.568	<b>0.759</b>	0.607
X2.3	0.399	0.468	<b>0.746</b>	0.558
X2.4	0.409	0.497	<b>0.746</b>	0.631
X2.5	0.309	0.567	<b>0.756</b>	0.525
X2.7	0.331	0.438	<b>0.729</b>	0.385
X2.8	0.424	0.366	<b>0.748</b>	0.468
X2.9	0.411	0.511	<b>0.781</b>	0.591
X2.10	0.337	0.490	<b>0.755</b>	0.605
X2.11	0.355	0.538	<b>0.713</b>	0.594
X2.12	0.496	0.441	<b>0.706</b>	0.592

	<b>Employee Loyalty (Y)</b>	<b>Compensation (X1)</b>	<b>Employee Empowerment (X2)</b>	<b>Job Satisfaction (Z)</b>
<b>Z2</b>	0.370	0.640	0.573	<b>0.724</b>
<b>Z3</b>	0.483	0.489	0.605	<b>0.719</b>
<b>Z4</b>	0.451	0.465	0.476	<b>0.721</b>
<b>Z5</b>	0.442	0.402	0.535	<b>0.719</b>
<b>Z6</b>	0.475	0.549	0.640	<b>0.818</b>
<b>Z8</b>	0.417	0.568	0.587	<b>0.722</b>
<b>Z9</b>	0.442	0.479	0.597	<b>0.738</b>
<b>Z10</b>	0.527	0.492	0.537	<b>0.732</b>
<b>Z11</b>	0.551	0.531	0.542	<b>0.736</b>
<b>Z12</b>	0.597	0.413	0.453	<b>0.714</b>

Source: Data processed by researchers (2025)

### **Average Variance Extracted (AVE)**

Average Variance Extracted (AVE) is one of the tests used to determine the validity of a construct. The AVE measurement must be > 0.5 to indicate valid results in the measurement of discriminant validity. The following are the AVE results tested by researchers:

**Table 3.** Average Variance Extracted (AVE)

	<b>Average Variance Extracted (AVE)</b>
Compensation (X1)	0.579
Employee Empowerment (X2)	0.554
Job Satisfaction (Z)	0.540
Employee Loyalty (Y)	0.537

Source: Data processed by researchers (2025)

### **Composite Reliability**

In addition to conducting validity tests, model measurements were also conducted using reliability tests. In composite reliability testing, a value of > 0.7 must be obtained in order to be considered reliable. The results obtained from this composite reliability testing are as follows:

**Table 4.** Composite Reliability

	<b>Composite Reliability</b>
Compensation (X1)	0.932
Employee Empowerment (X2)	0.925
Job Satisfaction (Z)	0.921
Employee Loyalty (Y)	0.933

Source: Data processed by researchers (2025)

### Cronbach's Alpha

Cronbach's Alpha is a test conducted to reinforce the results of reliability testing, namely composite reliability. A construct can be said to meet reliability requirements if the Cronbach's alpha value is  $> 0.7$ . The following are the results of reliability testing based on Cronbach's alpha:

**Table 5.** Cronbach's Alpha

	<b>Cronbach's Alpha</b>
Compensation (X1)	0.919
Employee Empowerment (X2)	0.911
Job Satisfaction (Z)	0.905
Employee Loyalty (Y)	0.922

Source: Data processed by researchers (2025)

### T-Statistics

In this test, a confidence level of 95% and a significance level of 5% were used, so that the critical value set for the t-statistic was 1.96. If the t-statistic value was  $> 1.96$ , then the hypothesis test was considered significant and acceptable. The following are the results obtained from the t-statistic test, which can be seen in the table below:

**Table 6.** T-Statistics

	<b>T-Statistics ( O/STDEV )</b>
Job Satisfaction -> Employee Loyalty	3.839
Compensation-> Job Satisfaction	3.315
Compensation-> Employee Loyalty	2.248
Employee Empowerment-> Job Satisfaction	5.727
Employee Empowerment-> Employee Loyalty	0.056

Source: Data processed by researchers (2025)

### R-Square

The R-Square value aims to assess the extent to which independent variables (free variables) simultaneously influence dependent variables (bound variables). The R-Square value has three categories for grouping, namely a value of 0.67 is included in the strong category, a value of 0.33 is included in the moderate or medium category, and a value of 0.19 is included in the weak category. The R-Square value in this study is as follows:

**Table 7.** R-Square ( $R^2$ )

	<b>R-Square</b>	<b>R-Square Adjusted</b>	<b>Keterangan</b>
Job Satisfaction (Z)	0.635	0.628	Moderat
Employee Loyalty (Y)	0.446	0.430	Moderat

Source: Data processed by researchers (2025)

### F-Square

F-Square is used to determine the individual influence of each exogenous variable on the endogenous variable. F-Square values are grouped into three categories: values of 0.02 are classified as weak, values of 0.15 are classified as moderate, and values of 0.35 are classified as strong. The F-Square values in this study are as follows:

**Table 8.** F-Square (F<sup>2</sup>)

	<b>Job Satisfaction (Z)</b>	<b>Compensation (X1)</b>	<b>Employee Loyalty (Y)</b>	<b>Employee Empowerment (X2)</b>
Job Satisfaction (Z)			0.167	
Compensation (X1)	0.171		0.042	
Employee Loyalty (Y)				
Employee Empowerment (X2)	0.449		0.000	

Source: Data processed by researchers (2025)

### Variance Inflation Factor

The Variance Inflation Factor (VIF) is used to determine the strength of the correlation between one variable and another. If the VIF value is > 5.00, this indicates a problem with multicollinearity. However, if the VIF value is < 5.00, there is no problem with multicollinearity. The following are the results of the Variance Inflation Factor (VIF):

**Table 9.** Inner Variance Inflation Factor (VIF) Values

	<b>Job Satisfaction</b>	<b>Compensation</b>	<b>Employee Loyalty</b>	<b>Employee Empowerment</b>
Job Satisfaction			2.737	
Compensation	1.765		2.066	
Employee Loyalty				
Employee Empowerment	1.765		2.557	

Source: Data processed by researchers (2025)

### Hypothesis Testing

#### Direct Effect: Path Coefficient

The conditions for testing this hypothesis are T-Statistics > T-table or P-Value < 0.05 with an error rate in the T-table of 5% at 1.96. The following are the results of the path coefficients:

**Table 10.** Path Coefficient Results

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistics ( O/STDEV )	P-Values
Compensation -> Employee Loyalty	0.219	0.226	0.098	2.248	0.025
Employee Empowerment -> Employee Loyalty	-0.007	-0.011	0.131	0.056	0.955
Job Satisfaction -> Employee Loyalty	0.504	0.505	0.131	3.839	0.000
Compensation -> Job Satisfaction	0.332	0.328	0.100	3.315	0.001
Employee Empowerment -> Job Satisfaction	0.538	0.546	0.094	5.727	0.000

Source: Data processed by researchers (2025)

### Indirect Effect

Indirect effect analysis is a test to determine the effect of independent variables on dependent variables mediated by intervening variables. The following are the results of the indirect effect test:

**Table 11.** Indirect Effect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistics ( O/STDEV )	P-Values
Compensation -> Job Satisfaction -> Employee Loyalty	0.167	0.165	0.067	2.501	0.012
Employee Empowerment -> Job Satisfaction -> Employee Loyalty	0.271	0.277	0.091	2.975	0.003

Source: Data processed by researchers (2025)

### Discussion

#### Compensation has a positive and significant direct effect on employee loyalty

Based on the results of statistical analysis of the path coefficients shown in the table above, the variable of compensation on employee loyalty obtained an original sample result of 0.219, then for the t-statistic of 2.248 > 1.96, and for the p-value result of 0.025 < 0.05. Therefore, it can be concluded that

compensation has a positive and significant direct effect on employee loyalty, thus supporting the first hypothesis in this study.

### **Employee Empowerment Does Not Have a Significant and Negative Direct Effect on Employee Loyalty**

Based on the findings of the statistical analysis of the path coefficients shown in the table above, the variable of employee empowerment on employee loyalty obtained an original sample result of -0.007, then for the t-statistic of  $0.056 < 1.96$ , and for the p-value result of  $0.955 > 0.05$ . Therefore, it can be concluded that employee empowerment does not have a significant and negative direct effect on employee loyalty.

### **Job Satisfaction Has a Positive and Significant Direct Effect on Employee Loyalty**

Based on the statistical analysis of the path coefficients shown in the table above, the variable of job satisfaction on employee loyalty obtained an original sample result of 0.504, a t-statistic of  $3.839 > 1.96$ , and a p-value of  $0.000 < 0.05$ . Therefore, it can be concluded that job satisfaction has a positive and significant direct effect on employee loyalty.

### **Compensation Has a Positive and Significant Direct Effect on Job Satisfaction**

Based on the statistical analysis of the path coefficients shown in the table above, the compensation variable toward job satisfaction obtained an original sample result of 0.332, followed by a t-statistic of  $3.315 > 1.96$ , and a p-value result of  $0.001 < 0.05$ . Therefore, it can be concluded that compensation has a positive and significant direct effect on job satisfaction.

### **Employee Empowerment Has a Positive and Significant Direct Effect on Job Satisfaction**

Based on the results of the statistical analysis of the path coefficients shown in the table above, the variable of employee empowerment on job satisfaction obtained an original sample result of 0.538, followed by a t-statistic of  $5.727 > 1.96$ , and a p-value of  $0.000 < 0.05$ . Therefore, it can be concluded that employee empowerment has a positive and significant direct effect on job satisfaction, thus supporting the fifth hypothesis in this study.

### **Compensation Has a Positive and Significant Indirect Effect on Employee Loyalty through Job Satisfaction as an Intervening Variable**

Based on the indirect effect results shown in the table above, it indicates that the compensation variable toward employee loyalty through job satisfaction mediation yields an original sample result of 0.167, followed by a t-statistic of  $2.501 > 1.96$ , and a p-value result of  $0.012 < 0.05$ . Therefore, it can be concluded that compensation has a positive and significant indirect effect on employee loyalty through the mediation of job satisfaction.

### **Employee Empowerment Has a Positive and Significant Indirect Effect on Employee Loyalty through Job Satisfaction as an Intervening Variable**

Based on the indirect effect results shown in the table above, it can be seen that the variable of employee empowerment on employee loyalty through the mediation of job satisfaction obtained an original sample result of 0.271, a t-statistic of 2.975 > 1.96, and a p-value of 0.003 < 0.05. Therefore, it can be concluded that employee empowerment has a positive and significant indirect effect on employee loyalty through job satisfaction as an intervening variable.

## CONCLUSION

Based on the results of research on the Influence of Compensation and Employee Empowerment on Employee Loyalty through Job Satisfaction, several conclusions can be drawn. First, there is a positive and significant direct influence of compensation on employee loyalty. Thus, H1 is accepted. This means that the higher the employee compensation, the higher the employee loyalty. Second, the Empowerment of Employees variable does not have a significant effect and has a negative direct effect on Employee Loyalty. Thus, it can be stated that H2 is rejected. This means that employee empowerment does not yet influence employee loyalty to the institution. Third, there is a positive and significant direct effect of job satisfaction on employee loyalty. Thus, it can be stated that H3 is accepted. This means that the higher the level of employee job satisfaction, the higher the level of employee loyalty. Fourth, there is a positive and significant direct effect of Compensation on Job Satisfaction. Thus, it can be stated that H4 is accepted. This means that the higher the level of compensation, the higher the level of employee job satisfaction. Fifth, there is a positive and significant direct effect of Employee Empowerment on Job Satisfaction. Thus, it can be stated that H5 is accepted. This means that the better the employee empowerment, the higher the level of job satisfaction. Sixth, there is a positive and significant indirect effect of Compensation on Employee Loyalty through Job Satisfaction. Thus, it can be stated that H6 is accepted. This means that the higher the compensation, the higher the level of job satisfaction, which will then lead to an increase in employee loyalty. Seventh, there is a positive and significant indirect effect on Employee Empowerment on Employee Loyalty through Job Satisfaction. Thus, it can be stated that H7 is accepted. This can be interpreted to mean that the better the employee empowerment, the higher the level of job satisfaction, which will then lead to increased employee loyalty.

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