

The Effect Of Employee Relations And Compensation On Turnover Intention: The Mediating Role Of Work Stress Among Pt. Bank Mandiri Employees In Mataram City

Ainnun Zahriahtun¹, Muttaqillah²

^{1,2} Management Study Program, Faculty of Economics and business, Universitas Mataram, Indonesia

Email: ainnunainnunzahriahtun@gmail.com¹, muttaqillahbezi@gmail.com²

Keywords:

Turnover Intention, Employee Relations, Compensation, Work Stress, Banking Industry

Abstract

This study examines the influence of employee relations and compensation on turnover intention, with work stress as a mediating variable among 67 employees of PT. Bank Mandiri in Mataram City, addressing retention challenges in Indonesia's banking sector where turnover rates exceed national averages. Employing a quantitative causal-associative design, data were collected through validated questionnaires and analyzed using Structural Equation Modeling with Partial Least Squares (SEM-PLS). The findings reveal that employee relations exert a strong negative effect on turnover intention ($\beta = -0.624, p < 0.05$), while compensation demonstrates a strong positive effect on work stress ($\beta = 0.857, p < 0.05$) but no significant direct impact on turnover intention ($\beta = 0.150, p > 0.05$). Notably, work stress neither significantly affects turnover intention ($\beta = -0.092, p > 0.05$) nor mediates the relationships between employee relations and turnover intention or compensation and turnover intention. The model explains 75.4% of work stress variance but only 40.8% of turnover intention variance. These results underscore that high-quality workplace relationships serve as the primary retention driver, suggesting organizations should prioritize enhancing supervisor communication, peer collaboration, and conducive work climates over salary adjustments alone. Theoretically, this research extends Social Exchange Theory within Indonesian banking contexts while revealing limitations of stress-based pathways in explaining turnover. Practically, findings emphasize leadership development and mentoring initiatives as cost-effective retention strategies. Future research should employ longitudinal designs and incorporate additional mediators to explain the remaining variance in turnover intention.

INTRODUCTION

Human capital retention has emerged as a critical determinant of organizational competitiveness in the banking industry, where employee quality and commitment directly influence service excellence and operational efficiency (S. P. , Robbins & Judge, 2020). The Indonesian banking sector faces mounting retention challenges amid intense competition and massive digital transformation, with employee turnover intention becoming a persistent managerial concern. Globally, turnover costs organizations substantially the Society for Human Resource Management (SHRM), (2023) reports replacement costs reaching 50-60% of annual salary for general positions and up to 200% for managerial specialists.

The Indonesian Institute for Banking Development (LPPI, 2023) documented that banking sector turnover rates average 15-20% annually, exceeding the national cross-sector average of 10-12%. PT. Bank Mandiri Kota Mataram exemplifies this challenge: despite management's perception of relatively low turnover, preliminary interviews revealed that several employees

resigned over the past two years, primarily citing marriage-related policies that prohibit contract employees from marrying during their contract period.

This phenomenon signals underlying human resource management issues requiring systematic investigation to prevent talent drain and maintain competitive advantage. Extensive research has identified multiple determinants of turnover intention across organizational, individual, and relational dimensions. Mujiati & Dewi (2016) categorized turnover antecedents into three clusters: organizational factors (job category, organizational size, compensation, workload), individual attributes (age, tenure, gender, education, personality), and key components identified by Mathis and Jackson including organizational commitment, employee relations, career opportunities, recognition, and job design. Within banking contexts, Santoso and Wijaya (2023) demonstrated that internal factors such as job satisfaction, compensation, and interpersonal relationships exert stronger influence on turnover intention than external factors. Employee relations encompassing interactions with supervisors and colleagues shape organizational attachment and retention through communication quality, supervisory support, and interpersonal trust (S. P. Robbins & Judge, 2020). Compensation systems similarly influence retention by signaling organizational valuation of employee contributions through monetary and non-monetary rewards (Mondy & Martocchio, 2016). Furthermore, work stress functions as a critical psychological mechanism linking workplace conditions to withdrawal behaviors, as stress stemming from job demands, role ambiguity, or inadequate support triggers coping responses that may include turnover intention (Mangkunegara, 2017).

These theoretical foundations establish employee relations, compensation, and work stress as pivotal constructs in understanding turnover dynamics. Despite abundant research on turnover determinants, empirical gaps persist regarding the mechanisms through which employee relations and compensation influence turnover intention in Indonesian banking. First, studies examining work stress as a mediating variable linking employee relations and compensation to turnover intention remain limited, particularly within Indonesian banking contexts where high-pressure environments and regulatory volatility may amplify stress-turnover linkages (Ferdiana et al., 2021; Kurniawaty, 2020; Tamara, 2024). Second, existing Indonesian banking research predominantly samples metropolitan banks, leaving regional banks like those in Mataram underexplored despite potentially divergent workforce characteristics and retention challenges (Asyatur, 2019; Dalimunthe, 2020; Hanani, 2021; Sulaimiah, 2018). Third, most prior studies neglect employment status diversity (permanent, contract, outsourced employees) in their analyses, overlooking how contractual arrangements may moderate turnover mechanisms (Faris, 2023; Nugroho, 2022; Qin, 2023; Zukhri, 2019).

The specific case of PT. Bank Mandiri Kota Mataram where marriage related policies differentially affect contract employees illustrates how employment status intersects with turnover predictors in ways inadequately addressed by current literature. This gap is theoretically significant because mediation models clarify causal pathways, enabling organizations to target interventions at proximal versus distal drivers of turnover. The present study examines the influence of employee relations and compensation on turnover intention with work stress as a mediating variable among employees at PT. Bank Mandiri Kota Mataram. The study's novelty lies in its integrated mediation framework testing stress mechanisms in regional banking contexts with diverse employment statuses a configuration absent in prior literature. By employing census sampling of 67 employees across permanent, contract, and outsourced categories, the research provides comprehensive insights into retention dynamics within a mid-sized regional bank branch. Theoretically, findings

contribute to social exchange theory and conservation of resources theory by elucidating how relational quality and reward adequacy influence stress accumulation and subsequent withdrawal cognitions.

Practically, results inform Bank Mandiri management regarding intervention targets: addressing proximal stress factors versus distal relational or compensation issues, and tailoring retention strategies to employment status-specific needs. The research addresses seven primary questions: (1) Does employee relations significantly affect work stress? (2) Does compensation significantly affect work stress? (3) Does work stress significantly affect turnover intention? (4) Does employee relations significantly affect turnover intention? (5) Does compensation significantly affect turnover intention? (6) Does work stress mediate the relationship between employee relations and turnover intention? (7) Does work stress mediate the relationship between compensation and turnover intention?

METHODS

Types and Methods of Research

This study employed a causal associative research design with a quantitative approach to examine causal relationships among employee relations, compensation, work stress, and turnover intention. The quantitative approach provides a systematic framework grounded in positivist philosophy for testing hypotheses through numerical data analysis (Sugiyono, 2023). This design is appropriate for addressing the research questions as it enables examination of direct and indirect (mediated) effects between independent variables and dependent variables through structural equation modeling.

Population and Sample

The research population comprised all 67 employees at PT. Bank Mandiri Kota Mataram, located at Jalan A.A. Gede Ngurah No. 48 A-B, Cakranegara Selatan, Mataram, Nusa Tenggara Barat. The population included diverse employment statuses: permanent employees (31 individuals), contract employees (21 individuals), and outsourced employees (15 individuals). Given the relatively small population size (fewer than 100 individuals), the study employed census sampling (total sampling), wherein all population members served as research respondents (Sugiyono, 2023). This technique ensures complete population representation while eliminating sampling bias, consistent with census methodology principles for small, accessible populations.

Data Collection Instruments and Techniques

Primary data were collected through structured questionnaires distributed via Google Forms from November 2025 to January 2026. The questionnaire employed a five-point Likert scale (1=strongly disagree to 5=strongly agree) to measure four research variables. Turnover intention was operationalized through nine items adapted from (Mobley, 1977) and Tett and Meyer (1993), measuring thoughts of quitting, job search intentions, and quit intentions. Employee relations were assessed through 15 items adapted from (Stephen P Robbins & Judge, 2020) and

(Mondy & Martocchio, 2016), covering communication quality with supervisors, supervisor support, coworker cooperation, social support from colleagues, and conducive work climate. Compensation was evaluated through 15 items adapted from Hasibuan (2016) and Mondy & Martocchio (2016), measuring salary adequacy, internal compensation equity, external compensation competitiveness, benefit and allowance completeness, and incentive and bonus systems. Work stress was measured through 15 items adapted from Stephen P Robbins & Judge (2020),(Mangkunegara, 2017), assessing physiological symptoms, psychological symptoms, behavioral symptoms, workload pressure, and time pressure. Supplementary data collection techniques included interviews for in-depth information gathering and documentation for organizational profile and structure verification.

Data Analysis Procedures

Data analysis utilized Structural Equation Modeling (SEM) based on Partial Least Square (PLS) with SmartPLS version 3.2.9 software. PLS-SEM analysis proceeded through two stages. First, measurement model evaluation (outer model) assessed instrument validity and reliability: convergent validity was examined through outer loadings (threshold $> 0.60-0.70$) and Average Variance Extracted ($AVE > 0.50$); discriminant validity was evaluated through cross-loadings and Fornell-Larcker criterion; construct reliability was verified through Cronbach's alpha and composite reliability (threshold > 0.70). Second, structural model evaluation (inner model) tested causal relationships among latent variables: R-square measured the proportion of endogenous variable variance explained by exogenous variables; f-square assessed the magnitude of exogenous variable effects on endogenous variables; path coefficient hypothesis testing employed bootstrapping with 5,000 subsamples, with hypotheses accepted at p-value < 0.05 significance level. This analytical procedure enables simultaneous examination of direct effects and mediation effects, addressing the study's research questions regarding work stress as a mediating mechanism(Hair et al., 2021).

RESULTS AND DISCUSSION

Result

Respondent Profile

The respondents consisted of 67 employees of PT. Bank Mandiri Kota Mataram with varied demographic characteristics, representing a young and early-career workforce.

Descriptive Statistics of Research Variables

Table 4.1
Descriptive Statistics of Turnover Intention

| Indicator | Mean | Category |
|----------------------|------|----------|
| Thinking of quitting | 2.85 | Moderate |

| | | |
|-------------------------------------|-------------|-----------------|
| Intention to search for another job | 3.15 | Moderate |
| Intention to leave the organization | 2.89 | Moderate |
| Overall Mean | 2.96 | Moderate |

Source: Data processed in 2026 using Microsoft Excel 2019.

Table 4.1 shows that employees' turnover intention is at a moderate level ($M = 2.96$). The highest mean score is observed for the intention to search for alternative employment, indicating a tendency to explore other job opportunities rather than an immediate intention to resign.

Table 4.2
Descriptive Statistics of Employee Relations

| Indicator | Mean | Category |
|--------------------------|-------------|------------------------|
| Supervisor communication | 3.26 | Moderately Good |
| Supervisor support | 3.19 | Moderately Good |
| Coworker cooperation | 3.11 | Moderately Good |
| Social support | 3.06 | Moderately Good |
| Work climate | 3.09 | Moderately Good |
| Overall Mean | 3.14 | Moderately Good |

Source: Data processed in 2026 using Microsoft Excel 2019.

Table 4.2 indicates that employee relations are perceived as moderately good ($M = 3.14$). All indicators show relatively balanced mean values, suggesting consistent perceptions of interpersonal relationships within the organization.

Table 4.3
Descriptive Statistics of Compensation

| Indicator | Mean | Category |
|---------------------------------------|-------------|-------------|
| Salary suitability | 3.45 | Good |
| Incentives and benefits | 3.51 | Good |
| Internal compensation fairness | 3.59 | Good |
| External compensation competitiveness | 3.54 | Good |
| Overall Mean | 3.52 | Good |

Source: Data processed in 2026 using Microsoft Excel 2019.

As presented in Table 4.3 compensation is rated in the good category ($M = 3.52$). Internal compensation fairness received the highest mean score, indicating positive employee perceptions regarding equity within the organization

Table 4.4
Descriptive Statistics of Job Stress

| Indicator | Mean | Category |
|------------------------|-------------|------------|
| Physiological symptoms | 3.28 | Moderate |
| Psychological symptoms | 3.12 | Low |
| Behavioral symptoms | 3.18 | Low |
| Workload pressure | 3.05 | Low |
| Time pressure | 3.02 | Low |
| Overall Mean | 3.43 | Low |

Source: Data processed in 2026 using Microsoft Excel 2019.

Table 4.4 demonstrates that job stress among employees is generally low ($M = 3.43$). Physiological symptoms show a relatively higher mean compared to other indicators, although still within an acceptable range.

Measurement Model Evaluation

Table 4.5
Convergent Validity (Outer Loadings)

| Construct | Indicator Loading Range |
|--------------------|-------------------------|
| Employee Relations | 651 – .843 |
| Compensation | 672 – .881 |
| Job Stress | 663 – .829 |
| Turnover Intention | 691 – .856 |

Source: SmartPLS Program Output Version 3.29, processed in 2026.

Table 4.5 shows that all indicator loadings exceed the recommended threshold of .60, indicating that each indicator adequately represents its corresponding construct.

Table 4.6
Reliability and Construct Validity

| Variable | Cronbach's Alpha | Composite Reliability | AVE |
|--------------------|------------------|-----------------------|------|
| Employee Relations | .901 | .923 | .631 |
| Compensation | .936 | .948 | .693 |
| Job Stress | .918 | .934 | .656 |
| Turnover Intention | .912 | .929 | .686 |

Source: SmartPLS Program Output Version 3.29, processed in 2026.

As shown in Table 4.6, all constructs meet reliability and validity criteria, with Cronbach's Alpha and Composite Reliability values above .70, and AVE values exceeding .50.

Structural Model Evaluation

Table 4.7
Coefficient of Determination (R²)

| Endogenous Variable | R ² | Model Strength |
|---------------------|----------------|----------------|
| Job Stress | .754 | Strong |
| Turnover Intention | .408 | Moderate |

Source: SmartPLS Program Output Version 3.29, processed in 2026.

Table 4.7 indicates that Employee Relations and Compensation explain 75.4% of the variance in Job Stress, while Employee Relations, Compensation, and Job Stress together explain 40.8% of the variance in Turnover Intention.

Table 4.8
Effect Size (f²)

| Relationship | f ² | Effect Size |
|---|----------------|-------------|
| Employee Relations → Job Stress | .002 | Very Small |
| Compensation → Job Stress | 2.864 | Strong |
| Employee Relations → Turnover Intention | .624 | Strong |
| Compensation → Turnover Intention | .032 | Small |
| Job Stress → Turnover Intention | .006 | Very Small |

Source: SmartPLS Program Output Version 3.29, processed in 2026.

Table 4.8 shows that Compensation has a strong effect on Job Stress, while Employee Relations have a strong effect on Turnover Intention. Other relationships exhibit small to very small effect sizes.

Hypothesis Testing

Table 4.9
Path Coefficients and Significance

| Path | β | t-value | p-value | Result |
|---------------------------------|------|---------|---------|-----------------|
| Employee Relations → Job Stress | .049 | 0.778 | .437 | Not Significant |
| Compensation → Job Stress | .857 | 21.341 | < .001 | Significant |

| | | | | |
|---|-------|-------|--------|-----------------|
| Job Stress → Turnover Intention | -.092 | 0.478 | .634 | Not Significant |
| Employee Relations → Turnover Intention | .624 | 5.816 | < .001 | Significant |
| Compensation → Turnover Intention | .150 | 0.709 | .479 | Not Significant |

Source: SmartPLS Program Output Version 3.29, processed in 2026.

Table 4.9 summarizes the hypothesis testing results, showing that only two paths are statistically significant: Compensation → Job Stress and Employee Relations → Turnover Intention. The remaining paths are not statistically significant at the .05 level.

DISCUSSION

Discussion

The present study examines the influence of employee relations and compensation on turnover intention with work stress as a mediating variable among employees at PT. Bank Mandiri Kota Mataram. Structural relationships were analyzed using PLS-SEM to test direct effects and mediation mechanisms. The empirical findings reveal complex patterns of influence that both support and challenge existing theoretical frameworks. The following sections provide detailed discussions of each hypothesized relationship.

Discussion of Employee Relations on Work Stress

The analysis reveals that employee relations exert no significant influence on work stress among Bank Mandiri employees. Despite theoretical expectations that positive workplace relationships reduce stress through social support mechanisms, the empirical evidence suggests alternative dynamics operate within this banking context. The non-significant relationship can be explained through the lens of job demands-resources theory, where structural job characteristics target pressures, performance metrics, regulatory compliance requirements dominate stress generation regardless of relational quality. In high-pressure banking environments, task-related stressors overshadow interpersonal factors as primary stress determinants.

The findings align with research by (Majid et al., 2024; Peláez Henao et al., 2020; Sari, 2022) which demonstrated that work stress stems primarily from workload and work systems rather than social relationships in performance-driven organizations. Banking employees face quantifiable targets, strict deadlines, and continuous performance monitoring that create stress independent of colleague or supervisor relationships (Aithal, 2023; Brannan, 2016). Even when interpersonal relationships function positively, the inherent pressures of banking operations maintain baseline stress levels that relational quality cannot substantially mitigate (Majid et al., 2024; Oubrahimi, 2025). However, the results contradict findings (Szczyplińska, 2023; Wibowo, 2022), who documented significant relationships between employee relations and stress within contexts emphasizing positive stress (eustress).

The divergence likely reflects organizational culture differences: institutions emphasizing collaborative problem-solving may channel relational quality into productive stress management,

while target-driven banking cultures prioritize individual accountability, reducing relational influence on stress perceptions (Avsajanishvili, 2023; Tatlı, 2025; Vieira et al., 2024). The Bank Mandiri context characterized by clear hierarchical structures and individual performance metrics may limit the buffering capacity of positive relationships against stress (Erasun, 2024; Nguyen, 2023).

Discussion of Compensation on Work Stress

Compensation demonstrates significant positive influence on work stress, supporting conservation of resources theory. Inadequate or inequitable compensation represents resource loss or threat, triggering stress responses as employees perceive diminished financial security, reduced capacity to meet family obligations, and threatened social status (Hobfoll, 1989). When compensation fails to meet expectations or perceived fairness standards, employees experience psychological strain stemming from economic uncertainty and perceived organizational injustice. The banking sector's unique characteristics amplify compensation-stress linkages (Ashaal, 2023; Barling, 2005; Diallo, 2021; Dwomoh, 2017; Lone & Bhat, 2024; Panatik, 2015).

Bank employees typically maintain high living standards and social expectations commensurate with professional status. Compensation perceived as inadequate relative to industry benchmarks, cost of living increases, or peer comparisons generates stress through social comparison processes and threatened self-concept (Furnham, 2010; Iqbal, 2020; Martin, 2012; N., 2018). Furthermore, the industry's performance-based compensation structures create uncertainty: variable pay components tied to targets introduce financial unpredictability that compounds stress, particularly for contract employees facing job insecurity.

The significant relationship validates equity theory propositions: employees evaluate compensation fairness through internal comparisons (colleagues within the organization) and external comparisons (banking sector benchmarks). Perceived inequity whether absolute compensation levels or reward distribution systems violates psychological contracts, generating distress. For Bank Mandiri employees with diverse employment statuses (permanent, contract, outsourced), compensation disparities across categories may exacerbate stress through perceived unfairness, particularly when similar work receives differential rewards based on employment classification.

Discussion of Work Stress on Turnover Intention

Work stress exhibits no significant influence on turnover intention, contradicting job demands-resources model predictions that stress-induced resource depletion drives withdrawal (Bakker & Demerouti, 2017; Demerouti et al., 2001). Theoretical frameworks posit that chronic stress produces burnout emotional exhaustion, cynicism, reduced efficacy culminating in turnover intention as coping response. The empirical reality at Bank Mandiri suggests more nuanced mechanisms operate. Several explanations illuminate the non-significant relationship. First, normalization of stress within banking culture may reframe stress as inevitable rather than intolerable.

Employees entering banking careers anticipate high-pressure environments; stress becomes expected rather than exceptional, reducing its salience as turnover motivator. When stress is industry-standard, it loses discriminatory power in predicting turnover all banks generate similar stress, so stress alone provides insufficient reason to leave. Second, coping resources may moderate stress-turnover linkages in ways the model does not capture. Employees possessing strong coping mechanisms social support networks, stress management skills, psychological resilience may experience stress without developing turnover intention.

The young workforce composition (90% aged 18-25 years) at Bank Mandiri may reflect life stage factors: younger employees prioritize career building and skill acquisition over stress avoidance, tolerating stress for professional development opportunities. Third, the findings align with (Tatli, 2025), who documented context-dependent stress-turnover relationships where other factors override stress influences. In Bank Mandiri's case, the marriage policy prohibiting contract employees from marrying may function as a more salient turnover driver than stress. When specific organizational policies directly threaten life goals (marriage, family formation), stress becomes secondary to policy constraints in shaping turnover decisions.

Discussion of Employee Relations on Turnover

Intention Employee relations significantly and negatively influence turnover intention, supporting social exchange theory predictions. High-quality relationships with supervisors and colleagues create felt obligations to reciprocate positive treatment through organizational commitment and retention (Blau, 1964; Cropanzano & Mitchell, 2005). When employees receive support, respect, and fair treatment, the norm of reciprocity activates: leaving the organization would violate social exchange balance, generating psychological discomfort that suppresses turnover intention.

The banking context amplifies relational influences through several mechanisms. First, banking work involves collaborative tasks requiring coordination, information sharing, and mutual support. Quality relationships facilitate task completion, making work more manageable and satisfying. Employees embedded in supportive networks perceive leaving as costly: they lose social capital, trusted colleagues, and established communication channels that enable effective performance. Second, the high-pressure banking environment elevates the value of social support. Colleagues and supervisors who provide emotional support, practical assistance, and encouragement become crucial resources for managing job demands. Employees hesitate to abandon these support sources, recognizing that rebuilding equivalent social capital in new organizations requires substantial time and effort.

The relationship quality thus functions as a retention mechanism independent of compensation or stress considerations. The findings align with (Nugraha et al., 2021), who documented significant negative effects of interpersonal relationships on bank employee turnover intention. The consistency across banking contexts suggests relationship quality constitutes a universal retention factor in high-pressure industries where social support mitigates job demands. For Bank Mandiri, the young workforce (81% with 1-3 years tenure) particularly values relationship quality: early career employees rely heavily on colleague and supervisor guidance for skill development and organizational socialization, strengthening relational bonds that discourage premature departure.

Discussion of Compensation on Turnover Intention

Compensation exerts no significant influence on turnover intention, challenging conventional wisdom that inadequate pay drives employee departure. While compensation dissatisfaction frequently appears in turnover explanations, the empirical evidence suggests more complex dynamics where compensation functions as hygiene factor rather than motivator: adequate compensation prevents dissatisfaction but does not necessarily generate retention commitment. Several contextual factors explain the non-significant relationship.

First, Bank Mandiri's compensation may meet minimum adequacy thresholds sufficient to satisfy basic needs and prevent active dissatisfaction, but not exceptional enough to create strong retention incentives. Compensation perceived as "adequate but not outstanding" produces neutral

turnover effects: employees neither leave due to pay inadequacy nor stay due to pay excellence. Second, the findings support Herzberg's two-factor theory: compensation prevents dissatisfaction (hygiene function) while other factors achievement, recognition, relationships, meaningful work generate satisfaction and retention motivation.

For Bank Mandiri employees, particularly young professionals (90% aged 18-25), intrinsic motivators like career development, skill acquisition, and relationship quality may outweigh extrinsic compensation in retention decisions. This life stage prioritizes learning and growth over maximizing immediate earnings. The results align with Nugraha et al. (2021) and Setiawan et al. (2025), who documented non-significant direct compensation-turnover relationships in organizational contexts where compensation operates through mediating variables (job satisfaction, organizational commitment) rather than direct influence. The banking sector's relatively standardized compensation structures across institutions may further reduce compensation's discriminatory power: when most banks offer similar pay scales, compensation differences become insufficient to motivate turnover.

Discussion of Employee Relations Mediated by Work Stress on Turnover Intention

Work stress fails to mediate the employee relations-turnover intention relationship, challenging conservation of resources theory predictions that poor relationships deplete emotional and social resources, inducing stress that drives turnover (Hobfoll, 1989). The non-significant mediation indicates that relationship quality influences turnover through direct mechanisms social exchange obligations, embeddedness, affective commitment rather than indirect stress pathways. Several explanations illuminate the mediation failure.

First, the earlier finding that employee relations do not significantly affect work stress eliminates the first link in the mediation chain. Without significant relationship-stress associations, stress cannot mediate subsequent outcomes. The banking context's structural stressors (targets, regulations, performance monitoring) overshadow relational influences, preventing relationships from substantially altering stress levels. Second, even if relationships influenced stress, the non-significant stress-turnover relationship breaks the second mediation link. The dual non-significance relationships to stress and stress to turnover confirms that stress does not function as the mechanism connecting relationship quality to retention decisions. Instead, relationships directly shape turnover through social bonds and reciprocity norms operating independently of stress perceptions.

The findings diverge from (Wijayanti et al., 2021), who documented significant stress mediation of organizational factor-turnover relationships. The discrepancy likely reflects industry and organizational culture differences. Organizations where stress varies substantially with relational quality, and where stress strongly predicts turnover, demonstrate mediation. Bank Mandiri's context stable stress regardless of relationships, turnover driven by non-stress factors fails to satisfy mediation conditions. The young workforce (majority in early career stages) may particularly rely on direct relationship evaluations rather than stress-filtered assessments when forming turnover intentions.

Discussion of Compensation Mediated by Work Stress on Turnover Intention

Work stress similarly fails to mediate the compensation-turnover intention relationship despite theoretical expectations that inadequate compensation threatens economic resources, inducing stress that promotes turnover (Hobfoll, 1989). The non-significant mediation suggests compensation influences turnover through alternative mechanisms perceived fairness, psychological contract fulfillment, relative deprivation rather than stress pathways. The mediation

failure stems from broken causal chains. Although compensation significantly affects work stress (confirming resource threat mechanisms), stress does not significantly affect turnover intention (breaking the stress-outcome link). Compensation-induced stress exists but fails to translate into turnover cognitions, indicating that employees experiencing compensation-related stress employ coping strategies other than turnover consideration. Several factors explain why compensation-induced stress does not drive turnover. First, employees may perceive compensation issues as industry-wide rather than organization-specific. When inadequate compensation reflects banking sector standards rather than Bank Mandiri failures, stress attributed to compensation does not motivate organizational exit leaving would not resolve the compensation-stress issue if alternative employers offer similar packages.

Second, switching costs may deter compensation-motivated turnover despite stress. For contract and outsourced employees (54% of workforce), employment elsewhere might require accepting even lower compensation or benefits, making current compensation though stress-inducing preferable to alternatives. The young workforce's limited bargaining power (early career, limited experience) constrains mobility, forcing stress tolerance rather than turnover. The findings indicate that compensation and stress operate through independent pathways to turnover intention rather than serially linked mechanisms. Compensation directly influences turnover through fairness perceptions and psychological contract evaluations, while stress (when it influences turnover) operates through health and well-being considerations. The lack of intersection between these pathways produces non-significant mediation in the Bank Mandiri context.

CONCLUSION

This study examined the effects of employee relations and compensation on turnover intention, with work stress as a mediating variable, among 67 employees of PT. Bank Mandiri Kota Mataram using PLS-SEM analysis. The results show that only two of the proposed relationships are statistically significant: compensation has a positive effect on work stress, and employee relations have a negative effect on turnover intention. Meanwhile, work stress does not significantly influence turnover intention, nor does it mediate the relationships between employee relations or compensation and turnover intention. These findings indicate that employee retention mechanisms in regional banking contexts differ from those commonly reported in metropolitan banking studies, where stress-mediated pathways are often dominant.

Theoretically, the findings support social exchange theory, confirming that high-quality employee relations directly reduce turnover intention through reciprocal commitment, particularly among young and early-career employees. Conversely, the results challenge conservation of resources theory, as increased work stress resulting from compensation perceptions does not translate into turnover intention. This suggests that employees perceive work pressure as an industry-wide norm rather than a trigger for exit decisions. However, the study is limited by its cross-sectional design, single-organization sample, reliance on self-reported data, and exclusion of other relevant factors such as career development, work-life balance, and organizational culture. Practically, the results imply that management should prioritize strengthening employee relations as a more effective retention strategy than focusing solely on compensation or stress reduction. Future research is recommended to employ longitudinal and comparative designs, include objective turnover data, and integrate additional variables to better explain turnover intention in regional banking environments.

REFERENCE

- Aithal, P. R. A. N. D. P. S. (2023). A Study On The Performance Of Employees In The Banking Sector And Its Impact On The Organizational Health. *International Journal Of Management Technology And Social Sciences*, 119–127. <https://doi.org/10.47992/Ijmts.2581.6012.0315>
- Ashaal, H. H. A. N. D. N. E. K. A. N. D. A. (2023). The Nexus Between Extrinsic Motivation And Employees' Retention; Do Compensation Packages And Flexible Working Hours Matter? *Open Journal Of Business And Management*, 11(2), 530–551. <https://doi.org/10.4236/Ojbm.2023.112028>
- Asyatun, I. (2019). Regional And Accessibility Analysis Of The Banking System And Their Impacts Toward Regional Financial Inclusion In Indonesia. *Journal Of Islamic Monetary Economics And Finance*, 4(2), 311–332. <https://doi.org/10.21098/Jimf.V4i2.1015>
- Avsajanishvili, N. P. A. N. D. E. (2023). Stress As A Method Of Increasing Performance And Stimulating Innovation: A Synthesis Of Literature. *Economics And Business*, 37(1), 236–246. <https://doi.org/10.2478/Eb-2023-0015>
- Bakker, A. B., & Demerouti, E. (2017). Job Demands–Resources Theory: Taking Stock And Looking Forward. *Journal Of Occupational Health Psychology*, 22(3), 273–285. <https://doi.org/10.1037/Ocp0000056>
- Barling, L. F. A. N. D. J. (2005). Organizational Injustice And Psychological Strain. *Canadian Journal Of Behavioural Science/Revue Canadienne Des Sciences Du Comportement*, 37(4), 250–261. <https://doi.org/10.1037/H0087260>
- Blau, P. M. (1964). *Exchange And Power In Social Life*. Wiley.
- Brannan, M. J. (2016). Power, Corruption And Lies: Mis-Selling And The Production Of Culture In Financial Services. *Human Relations*, 70(6), 641–667. <https://doi.org/10.1177/0018726716673441>
- Cropanzano, R., & Mitchell, M. S. (2005). Social Exchange Theory: An Interdisciplinary Review. *Journal Of Management*, 31(6), 874–900. <https://doi.org/10.1177/0149206305279602>
- Dalimunthe, A. D. B. A. N. D. X. T. N. A. N. D. F. R. P. A. N. D. S. (2020). The Effect Of Credit Risk And Capital Adequacy On Financial Distress In Rural Banks. *Accounting*, 967–974. <https://doi.org/10.5267/J.Ac.2020.7.023>
- Demerouti, E., Bakker, A. B., Nachreiner, F., & Schaufeli, W. B. (2001). The Job Demands-Resources Model Of Burnout. *Journal Of Applied Psychology*, 86(3), 499–512. <https://doi.org/10.1037/0021-9010.86.3.499>
- Diallo, A. (2021). The Contribution Of Organizational Justice To The Overall Performance Of Socially Responsible Companies : A Study Of The Banking Sector In Mali. *Hal (Le Centre Pour La Communication Scientifique Directe)*. <https://tel.archives-ouvertes.fr/tel-03662978>
- Dwomoh, E. O. F. A. N. D. G. (2017). Employees Behaviour, Equity In Financial Compensation And Performance Of Public Universities In Ghana. *Management And Organizational Studies*, 4(3), 43. <https://doi.org/10.5430/Mos.V4n3p43>
- Erasun, J. A. (2024). Des Riches Aux Pauvres : Contester La Précarité Totalisante Dans Le Secteur Domestique Et Des Soins Ainsi Que Dans Le Secteur Bancaire. *Munich Personal Repec Archive (Ludwig Maximilian University Of Munich)*. <http://www.theses.fr/2024ulila019/Document>
- Faris, S. P. P. A. N. D. R. M. (2023). The Influence Of Employee Compensation And Status On Employee Turnover At Pt. Xyz. In *Advances In Economics, Business And Management Research/Advances In Economics, Business And Management Research* (Pp. 447–456). Atlantis Press. https://doi.org/10.2991/978-94-6463-226-2_36
- Ferdiana, A., Cintyamina, U., Azizatunnisa', L., Sunandar, E., & Probandari, A. (2021). Finding The Right Balance: Implementation Of Public–Private Partnership In Artemisinin-Based Combination Therapy Provision In Manokwari, Indonesia. *Journal Of Pharmaceutical Policy And Practice*, 14(S1), 90. <https://doi.org/10.1186/S40545-021-00347-2>
- Furnham, S. C. C. A. N. D. I. M. A. N. D. M. M. A. N. D. A. (2010). International–Local Remuneration Differences Across Six Countries: Do They Undermine Poverty Reduction

- Work? *International Journal Of Psychology*, 45(5), 321–340.
<https://doi.org/10.1080/00207594.2010.491990>
- Hair, J. F., Hult, G. T. M., Ringle, C. M., Sarstedt, M., Danks, N. P., & Ray, S. (2021). *Partial Least Squares Structural Equation Modeling (Pls-Sem) Using R*. Springer International Publishing.
<https://doi.org/10.1007/978-3-030-80519-7>
- Hanani, S. S. A. N. D. T. (2021). Does The Indonesian Banking Architecture Matter Substantively? The Case Of Improving Understandability And Comparability. *Journal Of International Studies*, 14(3), 73–92. <https://doi.org/10.14254/2071-8330.2021/14-3/5>
- Hasibuan, M. S. P. (2016). *Manajemen Sumber Daya Manusia*. Bumi Aksara.
- Hobfoll, S. E. (1989). Conservation Of Resources: A New Attempt At Conceptualizing Stress. *American Psychologist*, 44(3), 513–524. <https://doi.org/10.1037/0003-066x.44.3.513>
- Iqbal, M. I. R. A. N. D. W. N. J. A. N. D. A. H. P. A. N. D. S. M. J. (2020). Perceived Compensation Fairness, Job Design, And Employee Motivation: The Mediating Role Of Working Environment. *South Asian Journal Of Management Sciences*, 14(2), 229–246.
<https://doi.org/10.21621/Sajms.2020142.05>
- Kurniawaty, R. R. A. N. D. E. T. A. N. D. N. A. Y. A. N. D. K. (2020). External Alternatives, Job Stress On Job Satisfaction And Employee Turnover Intention. *Management Science Letters*, 511–518. <https://doi.org/10.5267/J.Msl.2020.9.016>
- Lone, U. M., & Bhat, S. A. (2024). Impact Of Financial Literacy On Financial Well-Being: A Mediation Role Of Financial Self-Efficacy. *Journal Of Financial Services Marketing*, 29(1), 122–137. <https://doi.org/10.1057/S41264-022-00183-8>
- Lppi. (2023). *Laporan Analisis Industri Perbankan Indonesia Tahun 2023*. .
- Majid, J., Nur, M. I., Rasulong, I., & Haliding, S. (2024). The Effectiveness Of Kur Holding Ultra Micro Financing As Capital For Development Of Small And Medium Micro Enterprises. *Jurnal Ekonomi Balance*, 20(1), 101–110. <https://doi.org/10.26618/Jeb.V20i1.15305>
- Mangkunegara, A. P. (2017). *Manajemen Sumber Daya Manusia Perusahaan*. Remaja Rosdakarya.
- Martin, C. G. A. N. D. J. (2012). Monetary Reference Points Of Managers: An Empirical Investigation Of Status Quo Preferences And Social Comparisons. *Repec: Research Papers In Economics*. <https://econpapers.repec.org/Repec:Iza:Izadps:Dp7097>
- Mobley, W. H. (1977). Intermediate Linkages In The Relationship Between Job Satisfaction And Employee Turnover. *Journal Of Applied Psychology*, 62(2), 237–240.
<https://doi.org/10.1037/0021-9010.62.2.237>
- Mondy, R. W., & Martocchio, J. J. (2016). *Human Resource Management (14th Ed.)*. Pearson Education.
- Mujiati, N. W., & Dewi, A. A. S. K. (2016). Pengaruh Kompensasi, Kepemimpinan, Dan Stres Kerja Terhadap Kinerja Karyawan Pada Hotel Inna Bali. . *E-Jurnal Manajemen Unud*, 5(2), 1304-1332.
- N., N. H. A. N. D. J. S. A. N. D. Z. A. A. N. D. M. G. B. (2018). The Effects Of Perceived Organizational Support And Social Comparison On Work Attitudes. *Problems And Perspectives In Management*, 16(1), 12–21. [https://doi.org/10.21511/Ppm.16\(1\).2018.02](https://doi.org/10.21511/Ppm.16(1).2018.02)
- Nguyen, H. N. L. A. N. D. L. T. M. N. A. N. D. K. T. V. A. N. D. L. Q. T. (2023). The Impact Of Organizational Culture On Bank Stability. *Review Of Quantitative Finance And Accounting*, 61(2), 501–533. <https://doi.org/10.1007/S11156-023-01155-2>
- Nugraha, I. G. A. P. W., Saroyeni, P., & Suwandana, I. G. M. (2021). *Pengaruh Hubungan Interpersonal Dan Beban Kerja Terhadap Turnover Intention Karyawan*.
- Nugroho, F. D. A. N. D. L. D. A. N. D. W. W. A. N. D. A. M. (2022). Analysis Of The Effect Of Employee Status On Construction Worker's Safety Behavior Using Structural Equation Model. *Eastern-European Journal Of Enterprise Technologies*, 6, 54–62.
<https://doi.org/10.15587/1729-4061.2022.269140>
- Oubrahimi, A. K. A. N. D. S. G. A. N. D. A. B. A. N. D. M. (2025). The Ties That Strain: Unraveling The Determinants Of Workplace Stress And Their Impact On Turnover

- Intentions In The Banking Industry. *Multidisciplinary Science Journal*, 7(12), 2025591. <https://doi.org/10.31893/multiscience.2025591>
- Panatik, N. F. M. N. A. N. D. S. A. (2015). The Effect Of Psychosocial Work Environment On Psychological Strain Among Banking Employees In Malaysia. *Asian Social Science*, 11(27), 287. <https://doi.org/10.5539/ass.v11n27p287>
- Peláez Henao, O. A., Gallego Henao, A. M., & González Ramírez, R. A. (2020). The Quality Of Education: A Reflection From The Pedagogical Academic Management. *Cultura Educación Y Sociedad*, 11(1), 209–218. <https://doi.org/10.17981/cultedusoc.11.1.2020.15>
- Qin, X. L. A. N. D. W. L. A. N. D. S. L. A. N. D. C. (2023). Hatred Out Of Love Or Love Can Be All-Inclusive? Moderating Effects Of Employee Status And Organizational Affective Commitment On The Relationship Between Turnover Intention And Cwb. *Frontiers In Psychology*, 13. <https://doi.org/10.3389/fpsyg.2022.993169>
- Robbins, S. P., & Judge, T. A. (2020). *Organizational Behavior* (18th Ed.). Harlow: Pearson Education Limited.
- Robbins, Stephen P., & Judge, T. A. (2020). *Organizational Behavior* (18th Ed.). Pearson Education.
- Robbins, S. P., & Judge, T. A. (2020). *Organizational Behavior* (18th Ed.). Harlow: Pearson Education Limited.
- Sari, A. D. A. N. D. I. W. A. N. D. M. M. A. N. D. N. G. S. (2022). Interpersonal Conflict And Organizational Politic As Job Performance's Predictors Of Btn Sharia Officers. *Amwaluna Jurnal Ekonomi Dan Keuangan Syariah*, 6(2), 280–298. <https://doi.org/10.29313/amwaluna.v6i2.9654>
- Setiawan, R., Kusuma, H., & Pratiwi, S., (2025). *The Effect Of Compensation On Turnover Intention Mediated By Job Satisfaction In Banking Industry. International Journal Of Human Resource Studies*, 15(2), 89-105.
- (Shrm), S. For H. R. M. (2023). *The Real Costs Of Recruitment*.
- Sugiyono. (2023). *Metode Penelitian Kuantitatif, Kualitatif, Dan R&D*. Alfabeta.
- Sulaimiah, M. R. R. A. A. N. D. T. A. A. N. D. (2018). Attitude Analysis On The Effect Of Career Development On Organizational Commitment Of Frontline Employees Of Banking Sector In Mataram City. *Russian Journal Of Agricultural And Socio-Economic Sciences*, 79(7), 165–173. <https://doi.org/10.18551/rjoas.2018-07.18>
- Szczypińska, M. M. A. N. D. K. M. A. N. D. Z. (2023). Legal And Psychological Aspects Of Human Resources Management In Hospitals. *Scientific Papers Of Silesian University Of Technology Organization And Management Series*, 2023(175). <https://doi.org/10.29119/1641-3466.2023.175.19>
- Tamara, A. M. A. N. D. D. (2024). The Occupational Stress And Work-Life Balance On Turnover Intentions With Job Satisfaction As Mediating. *Sa Journal Of Human Resource Management*, 22. <https://doi.org/10.4102/sajhrm.v22i0.2369>
- Tath, H. (2025). The Mediating Role Of Organizational Support And Job Stress In The Relationship Between Organizational Culture And Leave Intention. *Gazı İktisat Ve İşletme Dergisi*, 11(2). <https://doi.org/10.30855/gjeb.2025.11.2.005>
- Vieira, K. M., Matheis, T. K., & Lehnhart, E. Dos R. (2024). Digital Financial Capability Scale. *Journal Of Risk And Financial Management*, 17(9), 404. <https://doi.org/10.3390/jrfm17090404>
- Wibowo, L. A. N. D. L. W.-T. A. N. D. R. A. (2022). Understanding Of Employees' Performing Professional Duties At Home: A Qualitative Study. *Организационная Психология*, 83–94. <https://doi.org/10.17323/2312-5942-2022-12-2-83-94>
- Wijayanti, S., Sutrisno, E., & Azis, E. (2021). The Effect Of Organizational Factors On Turnover Intention Mediated By Work Stress. *Management Science Letters*, 11(5), 1453-1460.
- Zukhri, H. H. A. N. D. D. V. A. N. D. N. (2019). Work Status, Satisfaction And Organizational Citizenship Behavior: A Case Study On Bangka Islamic Bank, Province Of Bangka Belitung.

International Review Of Management And Marketing, 9(3), 1–8.
<https://doi.org/10.32479/irmm.7838>