



## Perceived Level of Job Satisfaction and its Relation to Employee Retention: The Case of a Philippine Government Agency

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### Abstract

Job satisfaction is a key area of interest for competitive organizations, as it significantly influences the retention of skilled and committed employees. This study aimed to investigate the level of job satisfaction among employees, employee retention rates, and the relationship between job satisfaction and employee retention. Additionally, it sought to identify programs and benefits that could enhance job satisfaction and retention rates. This descriptive-correlation research used a researcher-structured questionnaire distributed to 70 full-time employees of the subject government agency in the Philippines. Statistical tests, including frequency, percentage, weighted mean, and Spearman's rank correlation test were employed in the data analysis. Findings revealed that employees are satisfied with their jobs, especially when it comes to compensation, job content, promotion, supervision, and relationships with colleagues. Additionally, the study emphasized that employees are more likely to remain in the organization. Moreover, the study concluded that the level of job satisfaction exhibits a positive and strong correlation with employee retention. The study also revealed that healthcare benefits are considered a major contributor to employees' retention among the programs and benefits that an organization can provide. Finally, this study can serve as a model for other government agencies to enhance job satisfaction and productivity among employees, thereby contributing to long-term employee retention, that benefits both employees and the organization.

**Keywords:** *Employee Retention, Herzberg's Two-Factor Theory of Motivation; Hygiene Factors, Job Satisfaction, Motivational Factors, Philippine Government Agency*

### INTRODUCTION

Human resources are considered the primary asset in any organization (Nacpil & Lacap, 2018). They are fundamental to the organization's success and stability. Employees are vital to the functionality, credibility, and effectiveness of any organization, including government agencies. Their work supports the delivery of public services, the implementation of policies, and the overall governance of society. To retain skilled and talented government employees, they must experience job satisfaction.

Job satisfaction has been defined as a pleasurable or positive emotional state, resulting from the appraisal of one's job experiences (Montuori et al., 2022). It refers to the level of contentment and fulfillment that an employee feels regarding their job. It encompasses a range of factors that contribute to an individual's overall happiness and engagement in their work environment. The job satisfaction index, according to Biason (2020), identifies five aspects of job satisfaction: compensation, job content, promotion, supervisor, and colleagues.

On the other hand, employee retention is the continuous effort by the organization to take all necessary actions to retain knowledgeable, skilled, and competent employees (Shakeel & But, 2015). Employee retention is also a significant concern for an organization's competitive advantage, as it impacts the organization's efficiency, productivity, and sustainability (Biason, 2020). According to Monzon (2023), based on the State of HR Report by human resources solution firm

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Sprout, organizations face the challenge of retaining exceptional talent. In 2023, employee retention (23%) and engagement (13%) took precedence over recruitment (33%) and handling complaints (32%), which were top areas of focus in 2022. The shift highlights the importance of retaining talent and cultivating a dedicated workforce, as evidenced by the continued emphasis on recruitment in both years. Employee retention is specifically a process aimed at encouraging employees to stay with the organization for as long as possible. Although retaining employees has become more challenging, it offers substantial benefits for both the organization and its employees.

A study conducted by [Htun \(2022\)](#), satisfied employees were found to be the backbone of the business. Dissatisfied workers intended to leave the job as early as possible or change to another workplace or profession. On the other hand, [Gorde \(2019\)](#) highlighted that employee retention is increasingly important in organizations and examined the reasons for the high turnover rate, as well as the costs that turnover adds to companies. However, a local study on private basic education institutions conducted by [Catindig et al. \(2023\)](#) revealed that factors such as compensation, peer relationships, and workload did not exhibit significant correlations with employee retention.

Despite the wealth of research on job satisfaction and employee retention across various industries, a significant gap remains in studies focusing on employees of government agencies, particularly in an agency that focuses on tax administration within the country. While previous research has explored these concepts extensively in private institutions and other sectors, there is a scarcity of studies specific to government employees in the Philippines. This gap is particularly evident in understanding how factors such as compensation, job content, promotion, supervisors, and colleagues influence job satisfaction and retention in a government office setting. This study sought to fill this gap by assessing the level of job satisfaction and employee retention among government employees in a Philippine government agency.

Thus, this study, anchored on Frederick Herzberg's Two-Factor Theory of Motivation, aimed to examine the effect of job satisfaction on employee retention in the subject Philippine government agency. Specifically, it assessed the level of job satisfaction among employees in terms of compensation, job content, promotion, supervision, and relationships with colleagues, as well as the level of employee retention. It also determined the relationship between job satisfaction and employee retention. Moreover, the study investigated potential possible programs and benefits that could have a significant impact on employee retention. The findings of the study provided practical insights to enhance work satisfaction and retention among government employees. They contributed to a broader awareness of these important issues within the local public sector.

## **LITERATURE REVIEW**

This review explores various theories and empirical studies related to job satisfaction and job retention, including influential factors and implications for management.

### **Herzberg's Two-Factor Theory**

Herzberg's Two-Factor Theory provides a framework for understanding job satisfaction and employee retention. According to [Ozsoy \(2019\)](#), job satisfaction is influenced by two main types of factors: motivational and hygiene factors. Motivational factors, including achievement, recognition, and the nature of the work itself, contribute positively to job satisfaction by inspiring and engaging employees. These factors fulfill an individual's needs for self-actualization and personal development, and are vital for their sense of satisfaction and motivation ([Chan et al., 2023](#)). On the other hand, hygiene factors, such as company policies, supervision, salary, and working conditions, can lead to dissatisfaction if inadequately provided but can improve job satisfaction when adequately addressed. [Chiat and Panatik \(2019\)](#) suggested that balancing these factors is crucial for enhancing job satisfaction and supporting employee retention.

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## Job Satisfaction

Job satisfaction is a critical determinant of an organization's overall performance. It impacts employee motivation, productivity, and well-being. The Job Characteristics Model, developed by Hackman and Oldham's Job Characteristics Model highlights the importance of job design in determining job satisfaction (Blanz, 2017). The model identifies five key job features—autonomy, feedback, task significance, task identity, and skill variety—that contribute to higher levels of employee engagement, motivation, and satisfaction. Additionally, the Social Exchange Theory suggests that employees who feel reasonably supported and acknowledged are more likely to respond positively, fostering a supportive work environment that enhances creativity (Tripp, 2023).

Additionally, the study by Zhang et al. (2022) highlighted how employee well-being facilitates the process of high job dedication, which in turn spurs employees' creative activity and increases positive output. Since this study examines human behavioral factors, the findings are applicable to both private and public work environments. A more effective way to improve an employee's morale and motivation at work is to show how the employee's well-being is being taken care of.

Job satisfaction remains a fundamental driver of an organization's success. It emphasizes the importance of creating meaningful and empowering roles within a supportive and equitable work environment. However, it is also important to note that every industry has its own unique challenges, especially in the private and public sectors. By recognizing and resolving these differences, a more effective program can be formulated to enhance employees' job satisfaction and achieve a high commitment rate from our employees.

## Employee Retention

Employee retention is a critical concern for organizations, as high turnover can lead to increased hiring and training costs, as well as reduced productivity. Key factors influencing retention include compensation and benefits, opportunities for career advancement, and leadership. Research by Sorn et al. (2023) emphasized that competitive compensation and benefits are crucial for retaining employees. Pyu et al. (2023) highlighted that perceived income and performance appraisal are significant motivators for employees. Transformational leadership also plays a vital role in retention, as evidenced by Siswanto (2024), who found that such leadership is associated with higher levels of employee retention. In the same vein, Briones et al. (2023) considered that transformational leadership, combined with effective corporate governance, is essential for fostering an innovative culture within the organization, which may encourage employees to remain engaged with the organization.

Organizations must prioritize developing and implementing effective strategies to enhance employee retention and minimize the negative impacts of high turnover. Improving extrinsic factors such as compensation and benefits, will help give employees a sense of job security. However, Chiat and Panatik (2019) suggested that addressing extrinsic factors alone is not enough to foster a highly motivated workforce. Thus, proper assessment of several factors affecting job satisfaction and retention is important.

Therefore, the organizations must give high importance to factors that arise directly or indirectly from the work itself. Compensation and benefits, along with opportunities for career advancement, are as important as leadership and work environment. Maintaining a balanced approach to these factors will help achieve a successful human resource program.

## Relationship between Job Satisfaction and Employee Retention

The interplay between job satisfaction and employee retention is complex. High levels of job satisfaction often lead to increased employee retention, as satisfied employees are more likely to

remain with an organization and exhibit higher levels of engagement. Theories such as Herzberg's Two-Factor Theory and Job Characteristics Model offer valuable insights into how various factors contribute to job satisfaction, which in turn affects an employee's intention to stay. [Siruri and Cheche \(2021\)](#) emphasized that addressing both motivational and hygiene factors, designing meaningful jobs, and fostering a supportive work environment are essential strategies for reducing turnover and enhancing job satisfaction. Moreover, several researchers ([Biaison, 2020](#); [Htun, 2022](#); [Hulu et al., 2024](#); [Irahor & Okolie, 2019](#)) confirmed the positive correlation between job satisfaction index dimensions and employee retention.

While the present study considered job satisfaction index dimensions to include compensation, job content, promotion, supervision, and relationship with colleagues, another group of researchers considered other factors that affect employee retention, beyond the variables employed in this study. Other than the job satisfaction index dimensions, other researchers considered other factors to have a positive impact on employee retention, like work environment ([Chatzoudes & Chatzoglou, 2022](#); [Halim et al., 2020](#); [Xuecheng et al., 2022](#)), training and development, and career opportunities ([Chatzoudes & Chatzoglou, 2022](#); [Meirinhos et al., 2018](#); [Xuecheng et al., 2022](#)), work-life balance ([Adaron et al., 2021](#)), and reward and recognition ([Halim et al., 2020](#); [Kurata et al., 2023](#)).

Moving forward, most literature suggests that job satisfaction positively correlates with employee retention; however, this study assumed the possibility that other factors, beyond the job satisfaction index dimensions considered in this study, can significantly impact employee retention. Thus, the following hypothesis is hereby proposed by the researchers:

Ho: There is no significant relationship between job satisfaction in terms of compensation, job content, promotion, supervision, and relationship with colleagues, and employee retention.

To test this hypothesis, the study employed a Spearman Rank Correlation Test, which was used to determine the strength and direction of the relationship between job satisfaction dimensions (independent variable) and employee retention (dependent variable).

## **RESEARCH METHOD**

To investigate the relationship between job satisfaction and employee retention, this study employed a descriptive-correlational research approach. By examining these variables across a large sample, the descriptive-correlation technique facilitates the identification of patterns and relationships. This strategy is effective because it enables researchers to collect information on the attitudes and actions of respondents and then examine the relationships between various factors ([IvyPanda, 2023](#)). Of the population of 94 employees who were currently working in a Philippine government agency, 76 of them were randomly sampled, derived using the Raosoft sample size calculator with a 95% confidence level and a 5% margin of error. According to [Memon et al. \(2020\)](#), this online calculator, which requires inputs for a study's population size, confidence level, and margin of error, is helpful in determining the sample size for social science research, such as this one.

Simple random sampling was used to select participants, ensuring that everyone has an equal probability of being chosen and reducing biased representation of a group ([Noor et al., 2022](#)). However, of the 76 sampled respondents, only 70 took the time to respond to the survey questionnaire distributed, which lasted for two weeks starting October 7, 2024. The target respondents have been with the subject government agency for a considerable time and possess relevant qualifications and experience to provide valuable insights into the relationship between job satisfaction and employee retention within the organization.

The study used a researcher-structured questionnaire to evaluate the respondents' perspectives on the five dimensions of job satisfaction and their level of employee retention. The job satisfaction dimensions involved 30 items, while the employee retention assessment consisted of 6 items. The questions were based on typical daily workplace scenarios, ensuring relevance and practicality to the local context. Moreover, some items in the questionnaire were derived from [Biaison \(2020\)](#) study. The evaluation of the dimensions of job satisfaction and employee retention was measured using a five-point Likert scale as follows: 1.00-1.79 = Strongly Disagree (1); 1.80-2.59 = Disagree (2); 2.60-3.39 = Neither Agree or Disagree (3); 3.40-4.19 = Agree (4); and 4.20-5.00 = Strongly Agree (5).

The questionnaire was reviewed by two experts, after which their suggestions were considered and incorporated, and the questionnaire was finalized. The questionnaire was pilot tested on a group of 10 employees from another district office of the agency, where acceptable Cronbach Alpha coefficient values ranging from 0.887 to 0.983 were established. The obtained values have exceeded the acceptable value of at least 0.70 ([Jugessur, 2022](#)).

When the reliability of the questionnaire had been confirmed, the questionnaires were distributed. Furthermore, to ensure that the respondents' provided information will only be used for the attainment of the research objectives, a confidentiality note was indicated on the first part of the questionnaire. Once the questionnaires were retrieved, the responses were systematically coded for statistical analysis. The responses addressing the study's objective on possible programs and benefits that can significantly impact employee retention were coded and categorized as employee retention factors. Items representing the actual responses of the respondents were categorized according to specific factors or themes representing employee retention factors.

The data were encoded using Microsoft Excel and later imported into Statistical Package for the Social Sciences (SPSS) for further analysis. The statistical techniques employed included frequency, percentage, weighted mean, and the Spearman Rank Correlation Test. The latter was used to determine the strength and direction of the relationship between job satisfaction indicators and employee retention.

## FINDINGS AND DISCUSSION

The objectives of the research were supported by the analysis and interpretation of the data gathered via the survey questionnaire.

### Demographic Profile

The demographic profile of the subject government employees is presented in Table 1. The table presents a diverse composition in terms of age, sex, position and tenure.

**Table 1.** Profile of the Respondents

Indicator	Frequency	Percentage
<i>Gender</i>		
Male	28	40%
Female	42	60%
<i>Age</i>		
21-28	18	25.7%
29-35	26	37.1%
36-42	13	18.6%
43-49	7	10%
50-56	2	2.9%

<b>Indicator</b>	<b>Frequency</b>	<b>Percentage</b>
57-63	3	4.3%
64-above	1	1.4%
<i>Position</i>		
Entry-Level (Position Level 1 to 2)	45	64.3%
Mid-Level (Position Level 3 to 5)	20	28.6%
Senior-Level (Position Level Section Chief and above)	5	7.1%
<i>Tenure Length</i>		
1-5 years	36	51.4%
6-10 years	22	31.4%
10 years and above	12	17.1%

Among the 70 respondents, the majority were in the 29-35 years old age bracket, and held entry-level positions, with a balanced mixture of newer and experienced male and female employees. These findings highlight the characteristics of the sample population that may influence the perspectives and experiences related to job satisfaction and retention. Aligned with the study by [De Leon et al. \(2022\)](#), the demographic profile of employees consisted of respondents who were quite mature in terms of age and work disposition, which may significantly affect how they perceived their work.

### **Level of Job Satisfaction**

Using a researcher-structured questionnaire, the researchers assessed the level of job satisfaction in terms of compensation, job content, promotion, supervision, and relationships with colleagues.

#### *Compensation*

Compensation is one of the dimensions of job satisfaction that influences employees' perceptions of fairness and value, which in turn can impact their motivation, engagement, and likelihood of remaining in the organization. Its presence affects the employees' expectations towards work. The level of its fulfillment dictates the level of employees' motivation for work. Table 2 presents the job satisfaction of employees in terms of compensation.

**Table 2.** Compensation

<b>Indicators</b>	<b>Mean</b>	<b>Descriptive Rating</b>
1. I am satisfied with the salary that I receive from my work.	3.73	Agree
2. I am satisfied with the benefits that I receive from work (Vacation leaves, sick leaves, and bonus)	3.99	Agree
3. I am paid fairly for the work I contribute to my company.	3.80	Agree
4. I am satisfied with the chance of a salary increase annually.	3.83	Agree
5. I am satisfied with the incentives that I receive from my company.	4.00	Agree
<b>Average Weighted Mean</b>	<b>3.87</b>	<b>Agree</b>

The results presented in Table 2, with an overall mean score of 3.87, which corresponds to a descriptive rating of "Agree," show that employees generally have a reasonable opinion of their compensation. This implies that employees are content with each aspect of their compensation package. However, there is still room for improvement, as the company can further explore ways to enhance employees' satisfaction by providing excellent compensation packages similar to those offered by top private companies. This finding supports the study by [Putriwana et al. \(2024\)](#), which confirmed that compensation has a positive impact on the job satisfaction of employees. They found that when employees are satisfied with their salaries, they tend to be more motivated to do their work, resulting in higher job performance. Similarly, [Rivera et al. \(2023\)](#) noted that high incentives or excellent compensation packages provided by an organization are more likely to attract and retain top talent, as employees seek employers that value their contributions and offer opportunities for career advancement.

*Job Content*

Job content is usually associated with competency and employee performance, and is exhibited by means of knowledge, skills, and behavior. With the use of relevant knowledge and skills in the execution of their duties and responsibilities in the workplace, the employees' performance results in a positive output. Table 3 shows the job satisfaction of employees in terms of job content.

**Table 3. Job Content**

<b>Indicators</b>	<b>Mean</b>	<b>Descriptive Rating</b>
1. I am satisfied with the number of hours that I work every month.	3.97	Agree
2. I am satisfied with the work that I am doing in my company.	4.11	Agree
3. I am satisfied because there is a degree of independence associated with my work roles.	4.16	Agree
4. I am satisfied at work because I was recognized for the good work I accomplish.	3.19	Agree
5. I am satisfied because there is an adequate opportunity for periodic changes in duties.	3.84	Agree
6. I have the flexibility to manage my work and non-work interests e.g., caring responsibilities, study, sports interests, etc.	4.11	Agree
<b>Average Weighted Mean</b>	<b>3.90</b>	<b>Agree</b>

As can be gleaned from the table, the overall result regarding employees' satisfaction with their job content, particularly with their flexibility and independence, and their work-life balance, indicates a positive outcome. However, while most areas are doing well, recognition and opportunities could be enhanced to boost employees' morale. This can be achieved by implementing rewards and recognition programs, as well as providing training for employees' further development. According to the study by [Lee et al. \(2024\)](#), employees who are committed to the organization are more adaptable and responsive, resulting in the upliftment of their performance. It also stated that employers can assess and monitor job performance through a structured performance review, such as key performance indicators. By the end of the period, after

evaluation, appropriate rewards and recognition can be given. This supports the study's result, indicating that there are still areas for improvement, such as recognition and opportunities for skills development.

*Promotion*

Promotion or career advancement is an integral part of an employee’s job satisfaction. If an employee cannot foresee career growth, there is a chance that they will eventually leave the organization to pursue a better work opportunity. Table 4 presents the job satisfaction of employees in terms of promotion.

**Table 4.** Promotion

<b>Indicators</b>	<b>Mean</b>	<b>Descriptive Rating</b>
1. I am satisfied with my work because there are opportunities for promotion.	3.76	Agree
2. I am satisfied with my work because there is support for additional training.	3.86	Agree
3. I am satisfied with my work because there is an opportunity to learn new skills	3.89	Agree
4. I am satisfied at work because there is an ability to utilize my skills and talents.	3.97	Agree
5. I am satisfied at work because I can be promoted based on my work performance.	3.79	Agree
6. I am satisfied at work because I can be promoted based on my educational qualification	3.94	Agree
<b>Average Weighted Mean</b>	<b>3.87</b>	<b>Agree</b>

Based on the data presented in Table 4, employees' job satisfaction regarding promotion is generally positive. This suggests that respondents believe skills utilization, career advancement, and training have a significant impact on their work satisfaction. Despite their agreement on the promotion aspect, there may be other factors that the organization can fully explore, such as offering a more straightforward career path for all employees. The study by [Chan et al. \(2023\)](#) suggests that promotion or career advancement is a motivational factor, also known as “Satisfiers”. By addressing these needs, employees experience a sense of self-actualization and personal growth, which ultimately fosters a positive work attitude. This corresponds to the positive results generated by the respondents, which indicate that the organization provides opportunities for better career advancement.

*Supervision*

Supervision plays a critical role in influencing job satisfaction within the workplace. Adequate supervision involves guiding, supporting, and providing constructive feedback to employees, which positively impacts their morale, productivity, and overall job satisfaction. Table 5 exhibits the job satisfaction of employees in terms of supervision.



**Table 5.** Supervision

<b>Indicators</b>	<b>Mean</b>	<b>Descriptive Rating</b>
1. I am satisfied at work because I am always treated fairly by my supervisor.	4.00	Agree
2. I am satisfied because my supervisor encourages us to set high goals	4.69	Strongly Agree
3. I am satisfied because my supervisor does a good job-sharing information.	4.03	Agree
4. I am satisfied because my supervisor is able to address my questions or concerns.	4.04	Agree
5. I am satisfied because my supervisor treats me with respect.	4.20	Strongly Agree
6. I am satisfied because I receive useful and constructive feedback from my direct supervisor.	4.20	Strongly Agree
7. I am satisfied because my supervisor encourages personal growth and development	4.21	Strongly Agree
<b>Average Weighted Mean</b>	<b>4.20</b>	<b>Strongly Agree</b>

It can be gleaned from the table that “Supervision” has the highest mean value of 4.20 among other job satisfaction indicators. This implies that employees are delighted in terms of supervision because of the encouragement they receive from their supervisors to set high goals; they are treated with respect and receive valuable and constructive feedback, which helps them to improve their skills and have a sense of value in their organization, which directly contributes to higher job satisfaction. The findings of the study are supported by the study of [Setiawan and Sophia \(2023\)](#), which confirmed that supervisors significantly impact on employee satisfaction. Employees who experience high levels of supervisor support will feel more satisfied with their jobs. Workers are more inclined to support organizations that uphold their positive reputation if they feel connected to and encouraged by their bosses. Strong supervisory support fosters trust and increases a sense of fairness and appreciation, which contributes to job satisfaction.

*Relationship with Colleagues*

Relationship with colleagues is a significant factor that influences job satisfaction. Positive and supportive interactions among co-workers can create a sense of belonging, foster teamwork, and create a pleasant work environment, all of which contribute to higher job satisfaction. Table 6 displays the job satisfaction of employees in terms of their relationship with colleagues.

**Table 6.** Relationship with Colleagues

<b>Indicators</b>	<b>Mean</b>	<b>Descriptive Rating</b>
1. I am satisfied at work because my colleagues and I get along with each other.	4.10	Agree
2. I am satisfied at work because everyone works together to solve problems and meet operational goals.	4.01	Agree
3. I am satisfied at work because I am treated the way other co-workers treat me on the job.	4.09	Agree
4. I am satisfied at work because my co-workers have the same workload as I do.	3.80	Agree

Indicators	Mean	Descriptive Rating
5. I am satisfied at work because I receive constructive feedback from my colleagues.	3.96	Agree
<b>Average Weighted Mean</b>	<b>3.99</b>	<b>Agree</b>

The data from the table reveal that employees are generally satisfied with their jobs in terms of their relationships with their colleagues. With an overall mean of 3.99, this implies that positive interactions among co-workers contribute significantly to higher job satisfaction. The study by [Bella \(2023\)](#) highlighted the significant impact of workplace relationships on work satisfaction, which supports the findings of the current study. Both studies emphasized the importance of organizations prioritizing the fostering of positive relationships, promoting teamwork, and creating a supportive work environment to enhance job satisfaction and overall employee well-being. When employees have supportive, respectful, and collaborative relationships with their colleagues, they tend to feel more engaged, valued, and comfortable at work. These positive relationships foster a sense of belonging and teamwork, making employees more motivated and satisfied with their jobs ([Darmasetiawan & Rapina, 2023](#); [Laco et al., 2023](#)). On the other hand, [Campos and Campos \(2024\)](#) opined that when negative relationships exist, they will result in employee conflicts, which can significantly affect turnover intention.

### Level of Employee Retention

Employee retention refers to an organization's ability to keep its employees over a period. Understanding and implementing strategies to improve employee retention is essential for maintaining a motivated and effective workforce, ultimately contributing to the long-term success of an organization. The results on the level of employee retention satisfaction are shown in Table 7.

**Table 7.** Level of Employee Retention

Indicators	Mean	Descriptive Rating
1. I want to stay with my company because there is career advancement for me.	4.03	Agree
2. I want to stay with my company because there are retirement benefits.	4.21	Strongly Agree
3. I want to stay in my company because my colleagues are supportive.	4.03	Agree
4. I want to stay with my company because the job description matches my skills, experience and education.	4.21	Strongly Agree
5. I want to stay with my company because the workplace fosters a positive culture.	4.14	Agree
6. I want to stay with my company because of the good working condition/environment.	4.20	Strongly Agree
<b>Average Weighted Mean</b>	<b>4.14</b>	<b>Agree</b>

Beyond compensation, the study revealed that career advancement opportunities, with a mean of 4.03, and retirement benefits, with a mean of 4.21, are also key drivers of employee satisfaction and retention. Employees who perceive a clear path for professional growth and feel secure in their financial future are more likely to remain committed to the organization. According to [Ferdiana et al. \(2023\)](#), organizations can improve employee retention by providing opportunities

for career development, promoting organizational commitment, and providing support to their employees. Moreover, positive work relationships and a supportive work culture contribute significantly to employee satisfaction and overall well-being. Additionally, a good job-person fit, where employees' skills, experience, and education align with their job responsibilities, enhances job satisfaction and reduces turnover. The study findings highlight the importance of providing employees with opportunities for professional development, a supportive work environment, and a sense of belonging. Overall, employees expressed satisfaction with their jobs, with an average rating of 4.14, indicating that they are more likely to remain in the organization. The findings are aligned with the findings of [Sakinah et al. \(2023\)](#), who posited that a supportive work environment enhances organizational citizenship behavior.

**Relationship between Job Satisfaction and Employee Retention**

The researchers also assessed the relationship between job satisfaction and employee retention. Table 8 presents the relationship between job satisfaction and employee retention. The null hypothesis of the study, stating that there is no significant relationship between job satisfaction and employee retention, was tested using the Spearman Rank Correlation Test.

**Table 8.** Relationship between Job Satisfaction and Employee Retention

<i>Employee Retention</i>					
	<b>Correlation Coefficient</b>	<b>Description</b>	<b>P-value</b>	<b>Decision</b>	<b>Remarks</b>
Job Satisfaction	0.626	Positive and Strong Correlation	<0.001	Reject Null Hypothesis	Significant

The results of the statistical analysis reveal that all job satisfaction indicators exhibit a positive and strong correlation with employee retention; therefore, the null hypothesis is rejected. This finding highlights the significant impact that job satisfaction has on employees' decisions to stay with the organization. Specifically, indicators such as promotion, supervision, and relationship with colleagues are strongly linked to employees' commitment to their roles. The findings align with the study of [Htun \(2022\)](#), who found that employee satisfaction and employee retention are positively correlated. This is further demonstrated when employees receive both financial and non-financial rewards, experience fair job conditions, have opportunities for regular advancement, receive recognition and support from their supervisors, and engage in effective collaboration. They are more likely to feel satisfied in their roles. These results generally support Herzberg's Two-Factor theory, considering how motivational factors like compensation and job content, and hygiene factors, such as promotion, supervision, and relationship with colleagues influence job satisfaction and employee retention ([Andersson, 2017](#); [Ozsoy, 2019](#); [Thant & Chang, 2021](#); [Thant, 2023](#)).

The study's finding also emphasize the essential role of job satisfaction in shaping employees' decisions to stay with the organization. It is also noteworthy that when employees are satisfied with their job performance, they tend to stay with the organization for a longer period. According to [Arendon et al. \(2023\)](#), this scenario enables them to perform well in their job assignments despite adversities. As the organizations strive to improve retention rates, focusing on these job satisfaction indicators may prove essential. By addressing the factors that contribute to employee satisfaction, companies can create a more engaged workforce, ultimately reducing turnover and promoting long-term success.

**Programs and Benefits that can Significantly Impact Employee Retention**

To explore factors affecting employee retention, respondents were asked about programs and benefits with potential impact. Their responses are summarized in Table 9.

**Table 9.** Programs and Benefits that can Significantly Impact Employee Retention

Code/ Category	Item	Frequency	Percent
Healthcare Benefits	Healthcare benefits	29	41.43
Salary Increase	High salary increases per year	19	27.14
Training and Development	More training programs for career development	8	11.43
Working Environment	Comfortable resting areas	6	8.57
Flexible Schedule	Flexible time schedule	2	2.86
Promotion	Better chances of getting promoted	2	2.86
Workload	Workload distribution	2	2.86
Recognition	Recognition of good work	2	2.86
<b>Total</b>		<b>70</b>	<b>100.00</b>

Using a coding method, results exposed that healthcare benefits (41.43%) have a significant impact on employee retention within the company. This finding implies that comprehensive healthcare coverage is a critical factor influencing employees' decisions to remain with the organization. Most respondents expressed that healthcare benefits not only lessen financial stress but also demonstrate the company's commitment to employees' well-being. According to Li (2023), the quantity and quality of employee benefits negatively impacted the resignation rate, specifically the amount of health-related employee benefits and the percentage of employee benefit expenses over the total staff costs. Research indicates that the number of employee benefits practices implemented, which are more objective and more straightforward for employers to understand, is a necessary retention-promoting factor. In relation to the study, both emphasized the importance of healthcare benefits and their crucial role in employee retention within the company.

This strong emphasis on health and wellness develops loyalty and increases job satisfaction. Additionally, the data indicated that when employees perceive their healthcare benefits are sufficient and reliable, they are more likely to engage with their work and remain committed to the company. This finding highlights the importance of prioritizing healthcare benefits as a strategic component of employee retention efforts. In addition to healthcare benefits, salary increases, and training programs, employers may also consider other factors, that have a significant impact on employees' decisions to stay with the organization.

**CONCLUSION**

The study revealed that government employees are generally satisfied and contented with their jobs. This satisfaction is reflected in various indicators, including compensation, job content, promotion, supervision, and relationships with colleagues. This implies that the subject government agency has been successful in meeting its employees' expectations, contributing to a stable and motivated workforce. Parallel to this finding, the study also disclosed the employees' agreement on staying with the organization. The results highlighted several factors beyond compensation that play a significant role in employee retention. These include career advancement opportunities, retirement benefits, and organizational support mechanisms. Moreover, the study found a strong and positive correlation between job satisfaction and employee retention. This

implies that the indicators of job satisfaction influence employees' decisions to remain with the organization. As job satisfaction increases, the likelihood of employee retention also rises, making satisfaction a vital area for management focus. The study also found that healthcare benefits are a major contributor among the programs and benefits that can have a significant impact on employee retention. This implies that the likelihood of the employees staying with the organization increases when the organization demonstrates its commitment to supporting their well-being.

To maintain employees' job satisfaction and promote employee retention, the researchers recommend that the organization provide employees with more career growth opportunities, as this strengthens both individual careers and the organization's overall performance, fostering a culture of continuous improvement and innovation. Further, organizations can offer competitive salaries, benefits such as healthcare and retirement plans, paid time off, and flexible work options to foster loyalty and reduce turnover. Additionally, providing a positive workplace culture, good working conditions, and well-equipped facilities can improve job satisfaction, which can ultimately boost employee retention. Moreover, researchers suggest building a collaborative work environment through team-building activities, fostering open communication via group discussions, and promoting respect and inclusivity to strengthen workplace bonds and enhance a sense of belonging and camaraderie. Collectively, these initiatives aim to emphasize the importance of competitive compensation, benefits, opportunities for career development, a harmonious work environment, and cohesive work relationships. By implementing these initiatives, the organization can cultivate a committed and productive workforce, retain talent for longer periods, and establish a sustainable and goal-oriented work environment. The study's results may be applied to organizations with similar contexts in their pursuit of establishing a supportive work environment that fosters highly engaged and satisfied employees.

#### **LIMITATIONS AND FUTURE RESEARCH**

The researchers suggested that future research should include a more diverse sample of employees from the different divisions and regional offices of the subject government agency to broaden and enhance its scope. Further research can also focus on indicators of job satisfaction other than those employed in this study. Given the study's findings that job satisfaction factors positively influence employee retention, future studies may also explore other organizational supports and strategies for enhancing a supportive work environment, which can further enhance job satisfaction and employee productivity. Likewise, to reduce self-report bias and mitigate potential biases in assessment, future studies could employ alternative data collection methods beyond surveys, including interviews, peer feedback reports, focus group discussions, and observations.

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