

**Analysing Labor Shortages in the Front Office Department of the Hospitality Industry:
The Influence of Employee Compensation, Job Security, and Unemployment Benefits
on Generation Z's Job Satisfaction and Its Impact on Turnover Intentions and
Employee Retention**

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STATEMENT BY THE AUTHOR

I hereby declare that this submission is my own work and to the best of my knowledge, it contains no material previously published or written by another person, nor material which to a substantial extent has been accepted for the award of any other degree or diploma at any educational institution, except where due acknowledgement is made in the thesis.

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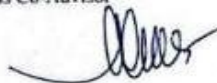
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ABSTRACT

Analysing Labor Shortages in the Front Office Department of Hospitality Industry: The influence of Employee Compensation, Job Security, and Unemployment Benefits on Gen Z's Job Satisfaction

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This study explores how remuneration, job security, and unemployment benefits influence turnover intentions among Generation Z employees in the front office departments of five-star hotels in Jakarta, with job satisfaction as a mediating variable. Addressing post-pandemic labor shortages, it identifies key factors affecting employee retention.

Data were collected from 69 participants using a carefully designed questionnaire. This investigation employed descriptive statistics, PCA, Pearson correlation, and multiple regression methodologies. The results pointed to a clear connection between salary and the degree of workplace happiness ($\alpha = 0.824$), which displayed an adverse correlation concerning turnover desires ($r = -0.580$ to -0.778 , $p < 0.001$). Although job security showed conceptual importance, its internal consistency was low ($\alpha = 0.296$), limiting conclusive insights. Unemployment benefits did not directly influence job satisfaction but were linked to turnover considerations.

The results suggest that enhancing compensation and job satisfaction is vital to retain Generation Z talent in hospitality. Further research is recommended to better measure job security and understand how external economic factors like unemployment support affect workforce dynamics in the sector.

Keywords: *Employee Compensation, Job Satisfaction, Turnover Intention, Generation Z, Hospitality Industry, Employee Turnover*

DEDICATION

This thesis is dedicated to my dearest parents. Your endless sacrifices, constant encouragement, and unconditional love have shaped who I am today. Thank you for believing in me even when I doubted myself. This journey, with all its challenges and triumphs, is as much yours as it is mine. I hope this work makes you proud.



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