

## The Influence of Human Resource Competence and Internal Service Quality on Generation Z Employees' Turnover Intention Through Job Satisfaction at PT Permodalan Nasional Madani Jakarta Branch

Florida Pardede<sup>1\*</sup>, Agus Salim<sup>2</sup>

Perbanas Institute

**Corresponding Author:** Florida Pardede [ridapardede92@gmail.com](mailto:ridapardede92@gmail.com)

---

### ARTICLE INFO

*Keywords:* Human Resource Competence, Internal Service Quality, Job Satisfaction, Turnover Intention, Generation Z

*Received :* 5 August 2026

*Revised :* 28 September 2026

*Accepted:* 29 October 2026

©2026 Pardede, Salim: This is an open-access article distributed under the terms of the [Creative Commons Atribusi 4.0 Internasional](https://creativecommons.org/licenses/by/4.0/).



### ABSTRACT

This study aims to analyze the effects of Human Resource Competence and Internal Service Quality on Turnover Intention through Job Satisfaction among Generation Z employees at PT Permodalan Nasional Madani, Jakarta Branch. The study was motivated by a shortage of field Account Officers (AOs), which contributes to increased workloads and the risk of turnover intention. The research applied a quantitative explanatory approach. Primary data were collected through questionnaires from 200 Generation Z employees working as AOs. Data were analyzed using Structural Equation Modeling-Partial Least Squares (SEM-PLS) via SmartPLS 4. The results indicate that Human Resource Competence and Internal Service Quality have positive and significant effects on Job Satisfaction. Human Resource Competence has no significant effect on Turnover Intention, whereas Internal Service Quality and Job Satisfaction have negative and significant effects on Turnover Intention. Job Satisfaction successfully mediates the relationship between Internal Service Quality and Turnover Intention.

---

## INTRODUCTION

Strategic human capital management serves as a vital foundation for organizational sustainability and competitive advantage. In the microfinance sector, operations require field personnel to balance customer acquisition with rigorous risk management. PT Permodalan Nasional Madani (PNM) through its Mekaar program runs a strategic function in supporting ultra-micro business empowerment through structured group lending. This model requires Account Officers (AO) to possess reliable competencies and receive responsive administrative support to suppress turnover rates.

However, factual observations at PNM Jakarta Branch in 2025 indicated a critical staffing deficit at the operational front line. There is a strict discrepancy between regional targets and the active human resource realization in the field. While supervisory and administrative positions experienced an overload, the front-line execution experienced a severe shortage. The detailed profile of this human capital gap is summarized in Table 1 below:

Table 1. Human Resources Allocation at Jakarta Branch in 2025 (Source: PNM Jakarta internal data, December 2025)

| Job Position                         | Target | Realization | Deficit/Surplus | Fulfillment Percentage |
|--------------------------------------|--------|-------------|-----------------|------------------------|
| Account Officer (AO)                 | 675    | 628         | -47             | 93%                    |
| Senior Account Officer (SAO)         | 111    | 124         | +13             | 112%                   |
| Finance Administration Officer (FAO) | 80     | 86          | +6              | 108%                   |
| Head of Mekaar Unit (KUM)            | 53     | 53          | 0               | 100%                   |

Ignoring a deficit of 47 front-line AOs creates a severe operational domino effect. It forces management to redistribute loose workloads and geographical microfinance targets onto the surviving Generation Z personnel. For younger clusters who highly value work-life balance, an exploitative spike in workload triggers rapid emotional burnout, stress, and widespread job dissatisfaction. Ultimately, this poor job sentiment crystallizes into a high level of Turnover Intention, where young officers actively search for alternative workplaces and prepare to abandon the organization. The purpose of this study is to analyze the structural impact of individual capabilities and organizational support on retarding Turnover Intention among young field officers.

## LITERATURE REVIEW

### Grand Theory: Social Exchange Theory

The primary pillar of this research framework is rooted in Social Exchange Theory developed by Blau (1964). In behavioral management, workplace relationships are viewed as an accumulation of socio-emotional and transactional reciprocity. When an enterprise provides responsive internal support and values

personal capabilities, workers feel psychologically obligated to return the favor through high dedication and strong retention. Conversely, if employees perceive that the internal service quality is poor or that the workload is unfair, positive reciprocity collapses. This collapse triggers negative structural behaviors, resulting in a severe surge in the intent to quit.

### Middle-Range Theory: Job Demands-Resources (JD-R) Theory

To bridge structural variables, this study utilizes Job Demands-Resources (JD-R) Theory. Demerouti and Bakker (2017) assert that any organizational ecosystem consists of two simultaneous forces: Job Demands (stressors like staffing shortages and high field targets) and Job Resources (functional supports that mitigate strain). In this study, Human Resource Competence acts as a vital Personal Resource, while Internal Service Quality serves as a Job Resource provided by the company. Abundant resources activate a motivational pathway that keeps employees satisfied, effectively shielding them from turnover triggers.

### Hypotheses Development and Research Model

Based on the theoretical integration, the structural dependencies are hypothesized as follows:

H1: Human Resource Competence has a positive and significant effect on Job Satisfaction.

H2: Internal Service Quality has a positive and significant effect on Job Satisfaction.

H3: Human Resource Competence has a negative and significant effect on Turnover Intention.

H4: Internal Service Quality has a negative and significant effect on Turnover Intention.

H5: Job Satisfaction has a negative and significant effect on Turnover Intention.

H6: Job Satisfaction significantly mediates the relationship between Competence and Turnover Intention.

H7: Job Satisfaction significantly mediates the relationship between Internal Service Quality and Turnover Intention.

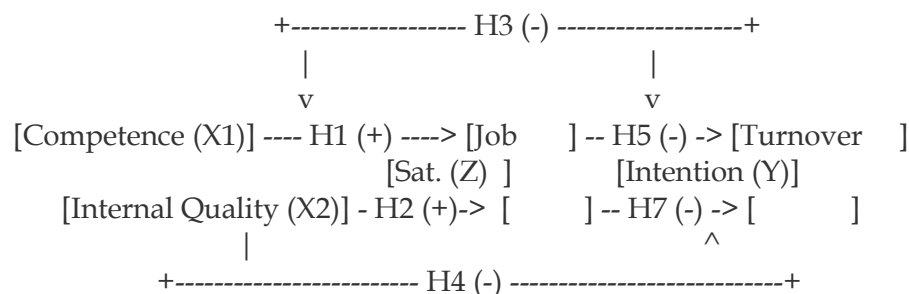


Figure 1. Conceptual Framework & Structural Path Model Diagram

### METHODS

This study deployed a quantitative approach combined with an explanatory research design to statistically verify structural pathways. The research targeted the local operations of PT Permodalan Nasional Madani Jakarta

Branch. A sample of 200 Generation Z field officers holding the status of Account Officer (AO) with a minimum field tenure of one year was selected using purposive sampling. Data collection was executed using structured questionnaires designed on a 5-point Likert scale. The operational structural paths and causal linkages were examined via Structural Equation Modeling-Partial Least Squares (SEM-PLS) utilizing SmartPLS 4 software.

## RESULTS

The reflective outer model was examined through convergent validity, discriminant validity, and internal consistency reliability. The summary of the outer model measurement parameters is listed below:

Table 2. Measurement Model Evaluation Summary

| Variable               | Measurement Dimension                                      | Outer Loading | Cronbach's Alpha | Composite Reliability | AVE   |
|------------------------|------------------------------------------------------------|---------------|------------------|-----------------------|-------|
| Competence (X1)        | Knowledge, Skills, Self-Concept, Traits, Motives           | 0.801 - 0.922 | 0.957            | 0.964                 | 0.769 |
| Internal Quality (X2)  | Tangibles, Reliability, Responsiveness, Assurance, Empathy | 0.636 - 0.879 | 0.931            | 0.944                 | 0.679 |
| Job Satisfaction (Z)   | Environment, Tasks, Rewards, Appreciation, Safety          | 0.812 - 0.935 | 0.948            | 0.956                 | 0.751 |
| Turnover Intention (Y) | Thinking of quitting, Intent to search, Intent to quit     | 0.789 - 0.914 | 0.955            | 0.962                 | 0.762 |

All indicator outer loadings fell comfortably within acceptable parameters, and the Average Variance Extracted (AVE) values exceeded the 0.50 threshold, establishing strong convergent validity. The reliability scores for both Cronbach's Alpha and Composite Reliability successfully surpassed the 0.70 yardstick, confirming excellent internal consistency. The structural inner model evaluation revealed substantial explanatory power, where the model successfully accounted for 85.2% of the variance in Job Satisfaction ( $R^2 = 0.852$ ) and 90.2% of the variance in Turnover Intention ( $R^2 = 0.902$ ). Hypothesis testing was executed via bootstrapping with 5,000 resamples as shown in Table 3.

Table 3. Path Coefficients and Hypothesis Testing Results

| Hyp. | Structural Path                                                | Path Coeff. ( $\beta$ ) | T-Statistic | P-Value | Decision |
|------|----------------------------------------------------------------|-------------------------|-------------|---------|----------|
| H1   | Competence<br>-> Job<br>Satisfaction                           | 0.347                   | 4.940       | 0.000   | Accepted |
| H2   | Internal<br>Service<br>Quality -><br>Job<br>Satisfaction       | 0.610                   | 8.667       | 0.000   | Accepted |
| H3   | Competence<br>-> Turnover<br>Intention                         | -0.045                  | 0.820       | 0.412   | Rejected |
| H4   | Internal<br>Service<br>Quality -><br>Turnover<br>Intention     | -0.359                  | 4.234       | 0.000   | Accepted |
| H5   | Job<br>Satisfaction<br>-> Turnover<br>Intention                | -0.511                  | 6.408       | 0.000   | Accepted |
| H6   | Competence<br>-> Job Sat. -<br>> Turnover<br>Intention         | -0.178                  | 3.927       | 0.000   | Accepted |
| H7   | Internal<br>Quality -><br>Job Sat. -><br>Turnover<br>Intention | -0.312                  | 4.991       | 0.000   | Accepted |

## DISCUSSION

The statistical results show that Human Resource Competence has a strong, positive, and significant relationship with Generation Z's Job Satisfaction ( $\beta = 0.347$ ,  $p < 0.05$ ), supporting H1. This indicates that personal expertise, field mastery, and digital skill sets allow young officers to navigate field difficulties effectively, increasing their professional confidence. Similarly, Internal Service

Quality exerted a highly dominant positive influence on Job Satisfaction ( $\beta = 0.610$ ,  $p < 0.05$ ), validating H2. A supportive internal environment—characterized by fast microcredit administrative processing by FAOs and responsive unit coaching—directly enhances the daily comfort and job satisfaction of young field workers.

Crucially, direct path testing revealed that Competence has no direct significant relationship with Turnover Intention ( $\beta = -0.045$ ,  $p > 0.05$ ), leading to the rejection of H3. For Generation Z, having high personal competence does not automatically shield them from the desire to leave if their structural environment is poor. However, Internal Service Quality ( $\beta = -0.359$ ) and Job Satisfaction ( $\beta = -0.511$ ) both demonstrated strong negative direct impacts on Turnover Intention, accepting H4 and H5. Most importantly, the indirect path analysis verified that Job Satisfaction acts as a powerful structural mediator, validating both H6 and H7. Individual capabilities and robust internal services must first be channeled through a positive psychological state (Job Satisfaction) before they can effectively function as an organizational anchor to suppress turnover rates among young officers.

## **CONCLUSIONS AND RECOMMENDATIONS**

### **Conclusion**

This study concludes that individual competence and strong corporate service quality are essential precursors to securing job satisfaction and controlling turnover rates among Generation Z field personnel. Personal capability alone is insufficient to retain highly mobile young talent if they are subjected to unchecked field burnout. Retaining these front-line workers requires a supportive operational ecosystem that directly builds job satisfaction

### **Recommendation**

For corporate practitioners at PT Permodalan Nasional Madani, senior management must immediately address the 47-personnel AO deficit at the Jakarta Branch to alleviate excessive workloads. Management should also reduce rigid bureaucracy in internal processing to give field agents more flexibility. To enhance field-level confidence, unit heads should run supportive coaching programs focused on credit default management and proactive risk assessment.

### **FURTHER STUDY**

This investigation was limited to the regional boundaries of the Jakarta Branch. Future research should scale this structural model across multiple macrofinance regions in Indonesia to enhance generalizability. Incorporating additional modern variables, such as digital transformation metrics and transformational leadership styles, would also provide a more comprehensive framework.

## REFERENCES

- Almeida, F. (2023). Connecting Service Quality and Work Performance: A Multilevel Approach. *Journal of Multilevel Management*, 14(2), 145-158.
- Bakker, A. B., & Demerouti, E. (2017). Job Demands-Resources Theory: Taking Stock and Looking Forward. *Journal of Occupational Health Psychology*, 22(3), 273-285.
- Blau, P. M. (1964). *Exchange and Power in Social Life*. John Wiley & Sons.
- Budianto, A., & Salim, A. (2024). Retaining Microfinance Talent: The Balance of internal support and work stress. *Indonesian Journal of Human Resource Management*, 8(2), 89-102.
- Dessler, G. (2023). *Human Resource Management* (17th Global ed.). Pearson Education Limited.
- Deswenti, R., Wijaya, K., & Sulistyani, T. (2025). The Impact of Competence on Generation Z Employee Performance through Job Satisfaction. *Journal of Behavioral Sciences*, 19(1), 40-55.
- Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2022). *A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM)* (3rd ed.). SAGE Publications.
- Haryanto, T., & Pratama, R. (2024). Internal Service Quality and Employee Satisfaction in Microfinance Institutions. *Microfinance Review*, 11(1), 12-27.
- Ladhari, R. (2023). INSERVQUAL: Measuring the internal service quality within financial networks. *International Journal of Bank Marketing*, 41(4), 789-805.
- Lee, Y., Setiawan, B., & Rahman, F. (2023). Job Satisfaction and Employee Performance: A Meta-Analysis. *International Journal of Productivity*, 29(3), 301-318.
- Manurung, S. (2022). The Vital Role of Work Satisfaction on Gen Z Employees. *Journal of Organizational Performance*, 6(2), 112-124.
- Mobley, W. H. (1979). *Employee Turnover: Causes, Consequences, and Control*. Addison-Wesley.
- Nguyen, H., Sitorus, M., & Judge, T. (2022). Demographics shifts: Managing Gen Z in high-mobility financial services. *Human Capital Quarterly*, 15(4), 210-226.

- Nugroho, A., & Lestari, S. (2023). The Bureaucracy Trap: Why Internal Quality Fails to Satisfy Gen Z. *Journal of Casual Management*, 10(1), 55-68.
- Robbins, S. P., & Judge, T. A. (2022). *Organizational Behavior* (19th Global ed.). Pearson Education Limited.
- Salim, S., & Ashari, H. (2024). Kompensasi, Kepuasan Kerja, dan Stres Kerja terhadap Niat untuk Keluar dari Perusahaan. *Jurnal Manajemen Terapan*, 12(3), 190-205.
- Saputra, D., & Wijaya, M. (2024). The Dark Side of High Competence: Monotonous Tasks and Gen Z Boredom. *Journal of Youth Behavior*, 7(2), 88-99.
- Spencer, L. M., & Spencer, S. M. (1993). *Competence at Work: Models for Superior Performance*. John Wiley & Sons.
- Sugiyono. (2022). *Metode Penelitian Kuantitatif, Kualitatif, dan R&D* (Cetakan ke-27). Alfabeta.