

## **ABSTRACT**

### **THE INFLUENCE OF ORGANIZATIONAL CLIMATE AND COMPENSATION TOWARD EMPLOYEES' LOYALTY MEDIATED BY JOB SATISFACTION**

**By**

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*This research was aimed to analyze the influence of organizational climate variable and compensation towards employees' loyalty mediated by job satisfaction of the employees of Samudera Indonesia Group Bandar Lampung. The research used four variables which are organizational climate (X1), compensation (X2), job satisfaction (Z) and employees' loyalty (Y). Subsequent to literature review and hypotheses formulation, data was collected through a questionnaire with 39 respondents from the employees of Samudera Indonesia group Bandar Lampung. The analysis was conducted using Smart PLS 3.0 m<sup>3</sup> on a computer media.*

*The research used a data collecting technique with a measurement model (outer model) and a structural equation analysis model (inner model) along with hypotheses testing. The result of the research showed that organizational climate has a significant influence toward job satisfaction in the value of  $t_{value} > t_{table}$  (2,714 > 1,69092), compensation has a significant influence toward job satisfaction in the value of  $t_{value} > t_{table}$  (4,835 > 1,69092), job satisfaction has a significant influence toward employees' loyalty in the value of  $t_{value} > t_{table}$  (21,346 > 1,69092), organizational climate has a significant influence toward employees' loyalty in the value of  $t_{value} > t_{table}$  (28,966 > 1,69092) and compensation has a significant influence toward employees' loyalty through job satisfaction in the value of  $t_{value} > t_{table}$  (51,603 > 1,69092). Therefore, the company of Samudera Group Indonesia was expected to maintain the existing organizational climate along with the type and number of compensation given to the employees in order to give job satisfaction and to create loyalty or employees' faithfulness to the company.*

**Key word:** *organizational climate, compensation, job satisfaction, and employees' loyalty*