

ABSTRACT

The company is currently prioritizing good performance and productivity to achieve competitive advantage. But the important thing that is sometimes overlooked by companies is how to retain employees they have or employee retention. Whereas on the one hand employees are important assets for the company in achieving its goals. Internal marketing as management of employees by considering it as an internal customer has a strategic role in maintaining employees, while building job satisfaction and organizational commitment. This study aims to analyze the effect of internal marketing on employee retention through job satisfaction and organizational commitment as an intervening variable.

The method used in this research is Structural Equation Modeling, which is estimated with the AMOS 23 program. The research was conducted on permanent employees of Telkom Indonesia Regional IV and Telkomsel Regional Central Java & DIY. This study involved 116 respondents who were randomly selected through simple random sampling technique

The conclusion of this research shows that there is a positive and significant influence between internal marketing and job satisfaction. Then internal marketing towards organizational commitment, internal marketing towards employee retention, and organizational commitment to employee retention also have positive and significant effects. But in this study it is known that the relationship of job satisfaction with employee retention have a positive effect but not significant.

Keywords: Internal Marketing, Job Satisfaction, Organizational Commitment, Employee Retention