

The Effect of 360° Performance Appraisal on Employees Intention to Stay with Career Development as a Mediating Variable: Evidence from a Teaching Hospital in Depok City

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Abstract. *Human resources are a crucial element in ensuring the sustainability and quality of healthcare services. In hospitals, maintaining Employee Intention to Stay is important to support service continuity and organizational stability. However, high work pressure and limited career development opportunities may reduce employees' intention to remain in the organization. This study aims to examine the effect of 360° performance appraisal on Employee Intention to Stay with career development as a mediating variable at a teaching hospital in Depok City. This study employed a quantitative causal research design. Data were collected through questionnaires distributed to 180 employees. The data were analyzed using Structural Equation Modeling–Partial Least Squares (SEM-PLS) with SmartPLS 3.2.9. The results indicate that 360° performance appraisal does not have a significant direct effect on Employee Intention to Stay. However, 360° performance appraisal has a significant positive effect on career development, and career development significantly influences Employee Intention to Stay. Furthermore, career development mediates the relationship between 360° performance appraisal and Employee Intention to Stay. These findings suggest that the effectiveness of performance appraisal influences Employee Intention to Stay indirectly through career development within the organization.*

Keywords: *360° Performance Appraisal, Career Development, Employee Intention to Stay, Human Resource Management, Hospital Organization*

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INTRODUCTION

Human resources play a crucial role in ensuring the sustainability and quality of healthcare services (Kabene et al., 2006; Anjani et al., 2024; Moldovan et al., 2022). Hospitals require competent and committed employees in order to maintain service continuity and organizational stability. In this context, employees' intention to stay has become an important indicator of workforce stability and employee retention (Howe et al., 2012; Al et al., 2022; Radford et al., 2015; Khalid & Al. 2024).

Employee retention has become a critical issue in the healthcare sector due to high work pressure, demanding service standards, and complex job responsibilities. The World Health Organization (WHO, 2016) estimates that the world could face a shortage of up to 10 million healthcare workers by 2030 if employee turnover is not managed effectively. This highlights the

importance of maintaining healthcare workers' intention to stay, as retaining existing employees is as important as recruiting new ones. In Indonesia, employee retention in the healthcare sector is influenced by factors such as high work pressure, perceived career stagnation, and limited opportunities for career development (Hanaysha, 2016), which may reduce employees' intention to remain in the organization.

Employee turnover is commonly used as an indicator of workforce stability. Previous studies suggest that a normal turnover rate ranges between 5% and 10% per year, while turnover rates exceeding 10% may indicate retention problems (Fitriani & Yusiana, 2020; Susilo & Satrya, 2019). In a teaching hospital in Depok City, employee turnover during the last four years has fluctuated, reaching 9.16% in 2021, increasing to 13.09% in 2022, slightly decreasing to 10.12% in 2023, and rising again to 12.99% in 2024. These figures indicate potential challenges in maintaining employees' intention to stay within the organization.

From a theoretical perspective, Social Exchange Theory explains that employees evaluate the balance between their contributions and the rewards provided by the organization, which influences their willingness to remain in the organization. One human resource management practice that may influence employees' intention to stay is the performance appraisal system (Uraon & Kumarasamy, 2024; Halid et al., 2024; Ghazali et al., 2012). The 360° performance appraisal approach involves multiple sources of assessment, including supervisors, peers, subordinates, and self-assessment, which can improve the fairness and accuracy of performance evaluations (Bracken & Rose, 2011).

However, performance appraisal alone may not directly strengthen employees' intention to stay if it is not followed by meaningful organizational actions. Career development is considered an important mechanism linking performance appraisal with employee retention. When employees perceive that appraisal results support their career growth, they are more likely to develop stronger commitment and remain in the organization (Weng & McElroy, 2012).

Although previous studies have examined the relationship between performance appraisal, career development, and employee retention, most research has been conducted in non-healthcare sectors. The healthcare sector has unique characteristics such as high work pressure and complex job demands that may influence employee retention. Therefore, this study aims to examine the effect of 360° performance appraisal on employees' intention to stay with career development as a mediating variable in a teaching hospital in Depok City.

METHODS

Research Design

This study employed a quantitative research approach with a causal research design to examine the relationships among variables. Causal research aims to analyze cause-and-effect relationships between variables in order to determine the influence of independent variables on dependent variables (Sugiyono, 2020). In this study, 360° performance appraisal was treated as the exogenous variable, Employee Intention to Stay as the endogenous variable, and career development as the mediating variable. This research design was used to analyze both the direct and indirect effects among the variables in the proposed research model. To analyze the relationships among variables, this study utilized Structural Equation Modeling based on Partial Least Squares (PLS-SEM). The use of PLS-SEM is appropriate for analyzing causal relationships involving mediating variables and multiple structural paths. Additionally, PLS-SEM enables the simultaneous evaluation of measurement and structural models, allowing researchers to assess the validity and reliability of measurement instruments while testing the proposed hypotheses.

Population and Sample

The study was conducted at a teaching hospital in Depok City. The population consisted of all employees working at the hospital, totaling 1,449 employees, based on official data obtained from the hospital's Human Resource (HR) department. The sample was selected using purposive

sampling to ensure that respondents were relevant to the research objectives. The criteria for respondents were: (1) employees who were actively working at the hospital, (2) employees who had worked for at least one year, and (3) employees who had experienced the implementation of the 360° performance appraisal system. The HR department assisted in distributing the online questionnaire to employees through official email communication. Employees who met the specified criteria were invited to participate voluntarily in the study. From the responses received, only those that fulfilled all eligibility criteria were included in the analysis, resulting in a total of 180 respondents. The sample size of 180 respondents was determined based on the minimum sample size requirement for Partial Least Squares Structural Equation Modeling (PLS-SEM). According to Hair et al. (2019), the minimum sample size can be calculated using the ten-times rule, which recommends that the sample size should be at least ten times the number of indicators used in the measurement model. In this study, a total of 18 indicators were used across the research variables, resulting in a minimum required sample size of 180 respondents (18×10). Therefore, the selected sample size was considered sufficient to ensure reliable estimation of the research model.

Data Sources and Data Collection

This study utilized both primary and secondary data. Primary data were obtained directly from respondents through questionnaires distributed to employees of a teaching hospital in Depok City. The questionnaire was designed to measure respondents' perceptions regarding the research variables using a five-point Likert scale ranging from strongly disagree to strongly agree. Data collection was conducted through an online questionnaire distributed using Google Forms. The questionnaire consisted of 33 structured items developed to represent 18 indicators derived from relevant literature related to the research variables. The 360° performance appraisal variable was measured using six indicators adapted from Siregar (2018), which include work achievement, responsibility, loyalty, honesty, cooperation, and initiative. These indicators reflect behavioral and performance-related dimensions commonly used in multisource performance appraisal systems. Career development was measured using six indicators adapted from Kemie and Purba (2019), including career planning discussions, promotion information, job rotation opportunities, dual career opportunities, career planning flexibility, and continuous career development support. Employee Intention to Stay was also measured using six indicators adapted from Kemie and Purba (2019), reflecting employees' willingness to remain in the organization and maintain long-term employment relationships. Meanwhile, secondary data were obtained from institutional documents and information provided by the hospital's human resource management unit.

Data Analysis Technique

Data analysis in this study consisted of descriptive and inferential statistical analysis. Descriptive analysis was conducted to provide an overview of respondents' perceptions of the research variables. This analysis was performed by calculating percentages, mean scores, and the Respondent Achievement Level (TCR) to categorize respondents' responses and describe the overall distribution of the data. Inferential statistical analysis was performed using Structural Equation Modeling based on Partial Least Squares (SEM-PLS) with the assistance of SmartPLS version 3.2.9. The analysis began with the evaluation of the measurement model (outer model) to assess the validity and reliability of the indicators. Convergent validity was examined through outer loading and Average Variance Extracted (AVE), while discriminant validity was evaluated using the Fornell-Larcker criterion and cross-loading values. Reliability was assessed using Cronbach's Alpha and Composite Reliability. After the measurement model was confirmed, the structural model (inner model) was evaluated by examining R-square values to determine the explanatory power of the model. Hypothesis testing was conducted using the bootstrapping procedure to determine the significance of both direct and indirect effects in the research model.

RESULTS AND DISCUSSION

Respondent Characteristics

The characteristics of the respondents involved in this study are presented in Table 1. A total of 180 employees from a teaching hospital in Depok City participated in this study. The characteristics include gender, tenure, position, and work unit.

Table 1. Characteristics of the Respondents

No	Characteristics	Category	Frequency	Percentage
1	Gender	Male	63	35%
		Female	117	65%
2	Tenure	1–3 years	57	31.7%
		4–6 years	69	38.3%
		> 6 years	54	30%
3	Position	Staff	132	73.3%
		Coordinator	18	10%
		Assistant Manager	12	6.7%
		Others	18	10%
4	Work Unit	Medical	100	55.6%
		Non-Medical	80	44.4%

Based on Table 1, the majority of respondents were female employees, accounting for 65% of the total respondents, while male employees represented 35%. In terms of tenure, most respondents had worked for 4–6 years (38.3%), followed by those with 1–3 years of work experience (31.7%) and more than 6 years (30%). Based on position, the majority of respondents were staff-level employees (73.3%), while the rest consisted of coordinators (10%), assistant managers (6.7%), and other positions (10%). In terms of work unit, most respondents worked in medical units (55.6%), while 44.4% worked in non-medical units.

Description Analysis of Research Variables

Descriptive analysis was conducted to describe respondents' perceptions of the research variables, namely 360° performance appraisal, career development, and Employee Intention to Stay. The results of the descriptive analysis are presented in Table 2.

Table 2. Descriptive Statistics of Research Variables

Variable	N	Total Score	Mean	TCR (%)	Category
360° Performance Appraisal	180	702	3.901	78.02	Moderate
Career Development	180	610	3.387	67.68	Moderate
Employees Intention to Stay	180	595	3.306	66.12	Moderate

Based on Table 2, the 360° performance appraisal variable obtained the highest mean score (3.901) with a TCR value of 78.02%, indicating that employees generally perceive the implementation of the performance appraisal system positively. Career development obtained a mean score of 3.387 with a TCR value of 67.68%, suggesting that employees perceive career development opportunities as moderately available. Meanwhile, Employee Intention to Stay obtained a mean score of 3.306 with a TCR value of 66.12%, indicating that employees have a moderate tendency to remain in the organization.

Data Analysis

This study employed Structural Equation Modeling (SEM) using the Partial Least Squares (PLS) approach with SmartPLS software version 3.2.9. The PLS-SEM method allows the simultaneous evaluation of the measurement model (outer model) and the structural model (inner model). The measurement model is used to assess the validity and reliability of the

indicators, while the structural model is used to examine the relationships among variables in the research model. The analysis was conducted based on data collected from 180 respondents who completed the questionnaire.

Measurement Model (Outer Model)

The measurement model was evaluated to assess the validity and reliability of the constructs. Convergent validity was examined through outer loading values and Average Variance Extracted (AVE), while discriminant validity was assessed using the Fornell–Larcker criterion and cross-loading values. Reliability was evaluated using Cronbach’s Alpha and Composite Reliability.

Validity Test

Convergent Validity

Convergent validity was assessed by examining the outer loading values and the Average Variance Extracted (AVE). A construct is considered to have adequate convergent validity if the outer loading values ≥ 0.60 and the AVE values ≥ 0.50 (Hair et al., 2017). The results of the convergent validity test for the research constructs are presented in Table 3.

Table 3. Outer Loading

Variable	Item Code	Outer Loading (>0,6)	Information
Employees Intention to Stay	Y1	0,763	Valid
	Y2	0,725	Valid
	Y3	0,696	Valid
	Y4	0,781	Valid
	Y7	0,753	Valid
	Y8	0,689	Valid
	Y9	0,663	Valid
360 Performance Appraisal	X10	0,693	Valid
	X3	0,685	Valid
	X4	0,733	Valid
	X5	0,777	Valid
	X6	0,72	Valid
	X7	0,795	Valid
Career Development	Z1	0,739	Valid
	Z2	0,705	Valid
	Z3	0,788	Valid
	Z4	0,774	Valid
	Z5	0,757	Valid
	Z6	0,818	Valid
	Z7	0,716	Valid
	Z8	0,823	Valid

Based on Table 3, all indicators have outer loading values greater than 0.60, indicating that the indicators meet the convergent validity criteria. After the elimination process, 22 indicators were retained from the initial 33 indicators. Furthermore, convergent validity was also assessed using the Average Variance Extracted (AVE). A construct is considered to have adequate convergent validity if the AVE value exceeds 0.50. The AVE values in this study are presented in Table 4.

Table 4. Average Variance Extracted (AVE)

	Average Variance Extracted (AVE)
Y	0.526
Z	0.587
X	0.540

Based on Table 4, all constructs have AVE values greater than 0.50, indicating that the constructs meet the convergent validity requirement.

Discriminant Validity

Discriminant was assessed using the Fornell–Larcker criterion and cross-loading values. A construct is considered to have adequate discriminant validity if the square root of the AVE for each construct is greater than its correlations with other constructs. In addition, the loading value of each indicator should be higher on its respective construct than on other constructs (Hair et al., 2017). The square root of the AVE for each construct is presented in Table 5.

Table 5. Square Root of AVE/Fornell-Larcker Criterion

	Y	Z	X
Y	0.725		
Z	0.503	0.766	
X	0.286	0.478	0.735

Based on Table 5, the square root of the AVE for each construct is greater than its correlation with other constructs, indicating that the discriminant validity criterion is satisfied. In addition, discriminant validity was further assessed by examining the cross-loading values of each indicator, as presented in Table 6.

Table 6. Cross-Loading

	Y	Z	X
Y1	0,763	0,501	0,325
Y2	0,725	0,246	0,187
Y3	0,696	0,29	0,112
Y4	0,781	0,321	0,173
Y7	0,753	0,375	0,193
Y8	0,689	0,331	0,137
Y9	0,663	0,378	0,242
X10	0,329	0,407	0,693
X3	0,155	0,257	0,685
X4	0,104	0,184	0,733
X5	0,121	0,213	0,777
X6	0,126	0,371	0,72
X7	0,268	0,464	0,795
Z1	0,251	0,739	0,478
Z2	0,312	0,705	0,326
Z3	0,414	0,788	0,443
Z4	0,45	0,774	0,405
Z5	0,463	0,757	0,275
Z6	0,377	0,818	0,335
Z7	0,289	0,716	0,297

	Y	Z	X
Z8	0,477	0,823	0,344

Based on the table 6, the outer loading value of each indicator on its respective construct is higher than its loading value on other constructs. This indicates that the indicators meet the discriminant validity criteria.

Reliability Test

Reliability was evaluated using Cronbach's Alpha and Composite Reliability. As presented in Tables 7 and 8, all constructs have values greater than 0.70, indicating satisfactory internal consistency.

Table 7. Cronbach's Alpha

	Cronbach's Alpha	Information
Employees Intention to Stay	0.852	Reliable
Career Development	0.899	Reliable
360 Performance Appraisal	0.839	Reliable

Based on Table 7, all constructs have Cronbach's Alpha values greater than 0.70, indicating that the constructs meet the reliability criteria. This result confirms that the measurement instruments used in this study have satisfactory internal consistency. In addition to Cronbach's Alpha, reliability was also evaluated using Composite Reliability. The results of the Composite Reliability test based on the SmartPLS output are presented in the following table.

Table 8. Composite Reliability

	Composite Reliability	Information
Employees Intention to Stay	0.886	Reliable
Career Development	0.919	Reliable
360 Performance Appraisal	0.875	Reliable

Based on Table 8, all constructs have Composite Reliability values greater than 0.70, indicating that the constructs meet the reliability criteria. This result shows that the indicators used in this study have adequate internal consistency in measuring their respective constructs.

Structural Model (Inner Model)

The structural model evaluation was conducted to analyze the relationships among constructs in the research model, assess the significance of these relationships, and identify the R-square (R^2) values in the model. This evaluation was carried out by examining the R-square values to determine the ability of the dependent constructs to explain the variance of the variables studied, as well as through statistical testing to assess the significance of the structural path coefficients. In the Partial Least Squares (PLS) approach, the initial stage in evaluating the structural model involves analyzing the R-square values for each dependent latent variable. These values indicate the extent to which the independent variables are able to explain the dependent variables in the research model. The R-square estimation results obtained from data processing using SmartPLS are presented in the following table.

Table 9. R-Square

	R-Square	R Square Adjusted
Employees Intention to Stay	0.256	0.247
Career Development	0.228	0.224

Based on Table 9, The R-square value for Employee Intention to Stay is 0.256, indicating that 25.6% of the variance in Employee Intention to Stay can be explained by the independent

variables in the research model, while the remaining 74.4% is influenced by other factors outside the model. Meanwhile, the R-square value for career development is 0.228, which indicates that 22.8% of the variance in career development can be explained by the independent variables in the model, while the remaining 77.2% is influenced by other factors not included in the model.

Hypothesis Testing

In the Partial Least Squares (PLS) approach, statistical testing for each hypothesized relationship is conducted through a simulation procedure. In this process, the bootstrapping method is applied to the research sample to estimate the significance of the relationships among variables in the model. Bootstrapping is also useful for reducing potential problems related to data non-normality in statistical analysis.

Table 10. Hypothesis

H	Connection	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistics (O/STDEV)	P-Values	Original Sample (O)
H1	X -> Y	0.059	0.053	0.143	0.415	0.678	Rejected
H2	X -> Z	0.478	0.482	0.089	5.377	0.000	Accepted
H3	Z -> Y	0.475	0.502	0.110	4.330	0.000	Accepted
H4	X -> Z -> Y	0.227	0.247	0.083	2.723	0.007	Accepted

Hypothesis 1: 360° performance appraisal has a positive effect on Employee Intention to Stay. The results of the first hypothesis test show that the relationship between 360° performance appraisal and Employee Intention to Stay has a *t-statistic* value of 0.415. This value is smaller than the *t-table* value (1.96), and the *p-value* of 0.678 is greater than the significance level of 0.05. The path coefficient of 0.059 indicates that 360° performance appraisal has a positive effect on Employee Intention to Stay, but the effect is relatively small and not statistically significant. Therefore, it can be concluded that 360° performance appraisal does not have a significant effect on Employee Intention to Stay. Thus, the first hypothesis is rejected.

Hypothesis 2: 360° performance appraisal has an effect on career development. The results of the second hypothesis test show that the relationship between 360° performance appraisal and career development has a *t-statistic* value of 5.377. This value is greater than the *t-table* value (1.96), and the *p-value* of 0.000 is smaller than the significance level of 0.05. The path coefficient of 0.478 indicates that 360° performance appraisal has a positive effect on career development. Therefore, it can be concluded that 360° performance appraisal has a positive and significant effect on career development. Thus, the second hypothesis is accepted.

Hypothesis 3: Career development has a positive effect on Employee Intention to Stay. The results of the third hypothesis test show that the relationship between career development and Employee Intention to Stay has a *t-statistic* value of 4.330. This value is greater than the *t-table* value (1.96), and the *p-value* of 0.000 is smaller than the significance level of 0.05. The path coefficient of 0.475 indicates that career development has a positive effect on Employee Intention to Stay. Therefore, it can be concluded that career development has a positive and significant effect on Employee Intention to Stay. Thus, the third hypothesis is accepted.

Hypothesis 4: 360° performance appraisal has a positive effect on Employee Intention to Stay through career development. Based on the results of the indirect effect analysis, the *t-statistic* value is 2.723, which is greater than the *t-table* value (1.96), and the *p-value* is 0.007, which is smaller than the significance level of 0.05. The path coefficient of 0.227 indicates that 360° performance appraisal has a positive effect on Employee Intention to Stay through career development as a mediating variable. This means that although the direct effect of performance appraisal on Employee Intention to Stay is not significant, the indirect effect through career development is significant. Therefore, career development acts as a mediating variable in the

relationship between 360° performance appraisal and Employee Intention to Stay. Thus, the fourth hypothesis is accepted.

Discussion

The findings of this study indicate that 360° performance appraisal does not have a significant direct effect on Employee Intention to Stay. This result suggests that performance appraisal, when implemented primarily as an evaluative mechanism, may not directly shape employees' decisions to remain within the organization. In the context of hospital organizations, employees often face high workloads, demanding service standards, and emotionally intensive tasks. Under such conditions, decisions to stay are typically influenced by tangible organizational support rather than by evaluation feedback alone. Therefore, performance appraisal may be perceived as an administrative requirement rather than as a meaningful factor influencing long-term employment decisions.

From the perspective of Social Exchange Theory (Blau, 1964), employees evaluate the balance between their contributions and the rewards or support provided by the organization. If performance appraisal results are not followed by visible outcomes, such as career progression, competency development, or professional growth opportunities, employees may perceive limited reciprocal value from the appraisal process. Consequently, the appraisal system alone may not generate sufficient motivation for employees to maintain their organizational commitment. This finding is consistent with Smither et al. (2005), who argue that multisource feedback systems are less likely to influence employee attitudes and behavioral outcomes unless they are supported by structured developmental follow-up actions.

Building on this result, the findings demonstrate that 360° performance appraisal has a significant positive effect on career development. This result suggests that multisource performance appraisal systems provide meaningful information that organizations can use to identify employees' competencies, performance gaps, and professional development needs. In hospital settings, where service quality depends heavily on the competence and reliability of healthcare personnel, performance feedback from multiple sources becomes particularly valuable for planning employee development programs. Such feedback enables management to design targeted training, assign appropriate responsibilities, and prepare employees for higher-level roles within the organization.

This finding indicates that performance appraisal functions not merely as an evaluation mechanism, but also as an important foundation for structured career development practices. When feedback from supervisors, peers, and subordinates is systematically documented, it becomes easier for the organization to align employee performance with long-term career pathways. This condition strengthens the developmental role of performance appraisal within human resource management systems. The finding is consistent with Mondy (2008), who emphasizes that 360° performance appraisal provides more comprehensive and objective performance information, and with Macharia (2021), who reports that effective performance appraisal systems support career development by offering structured feedback that facilitates employees' professional growth.

Furthermore, career development was found to have a significant positive effect on Employee Intention to Stay. This finding suggests that employees who perceive clear opportunities for career advancement and professional growth are more likely to remain in the organization. In hospital settings, where employees are required to continuously improve their competencies and adapt to evolving healthcare demands, the availability of structured career pathways becomes particularly important. When employees recognize that the organization supports their professional growth through promotion opportunities, specialized training, and competency development programs, they are more likely to perceive a stable and promising future within the organization.

Career development opportunities, such as promotion prospects, training, and skill enhancement programs, play an important role in strengthening employee commitment and retention because they provide employees with a clear sense of direction and long-term career security. Employees who perceive meaningful career progression are less likely to seek alternative employment, as they view the organization as a place where their professional aspirations can be achieved. These findings support previous studies conducted by Pradipta & Suwandana (2019) and Nurhasanah et al. (2022), and are consistent with the concept of career growth proposed by Weng & McElroy (2012).

Finally, the results demonstrate that career development mediates the relationship between 360° performance appraisal and Employee Intention to Stay. More specifically, the findings indicate that the effect of performance appraisal on Employee Intention to Stay operates indirectly through career development rather than directly. This suggests that performance appraisal alone may not be sufficient to influence employees' retention decisions unless the appraisal outcomes are translated into meaningful developmental opportunities. In practical terms, performance feedback becomes valuable for employees when it leads to visible career progression, competency enhancement, or professional growth pathways.

This mediating mechanism highlights the importance of integrating performance appraisal results into structured career development policies. In hospital settings, employees are more likely to interpret appraisal outcomes as meaningful when they are linked to tangible career-related actions, such as training programs, promotion opportunities, and role advancement. Without such follow-up actions, performance appraisal may remain an evaluative activity with limited impact on employees' long-term commitment. Therefore, career development functions as the key mechanism through which performance appraisal contributes to employee retention.

This finding supports the argument of Van & Nijhof (2004), who emphasize that the effectiveness of performance appraisal systems depends largely on how the results are utilized in human resource development practices. Similarly, Abboud (2021) found that performance appraisal systems have a stronger influence on employee retention when they are accompanied by structured career development programs. The present study thus contributes to the literature by demonstrating that the value of performance appraisal in supporting employee retention lies not in the appraisal process itself, but in how the results are translated into meaningful career development opportunities.

Beyond the structural relationships identified in this study, it is also important to consider the descriptive patterns observed across the research variables. The descriptive findings indicate that 360° performance appraisal, career development, and Employee Intention to Stay were all categorized at a moderate level. This condition suggests that, although the performance appraisal system and career development practices are already implemented within the organization, there is still considerable room for improvement. A moderate level of Employee Intention to Stay indicates that employees have not yet developed a strong commitment to remain within the organization, which may reflect ongoing retention challenges in the hospital environment.

The descriptive findings indicate that 360° performance appraisal, career development, and Employee Intention to Stay were categorized at a moderate level. This suggests that although these systems have been implemented within the organization, there is still considerable room for improvement. A moderate level of Employee Intention to Stay indicates that employees have not yet developed strong long-term commitment, possibly due to limited clarity in career progression opportunities. Therefore, improving the quality and clarity of career development programs may help strengthen employee retention and enhance organizational stability.

In addition to the descriptive findings, the R-square values indicate that the explanatory power of the research model is moderate. This suggests that Employee Intention to Stay is influenced not only by 360° performance appraisal and career development but also by other

factors such as job satisfaction, compensation, work environment, leadership style, and organizational culture. This finding highlights that employee retention in hospital settings is a complex phenomenon influenced by multiple organizational factors.

Although the explanatory power of the model was moderate, the findings remain meaningful because they highlight the role of career development as a key mechanism linking performance appraisal to employee retention. Specifically, the results demonstrate that career development plays a central role in translating performance appraisal outcomes into retention-related outcomes. This insight provides valuable direction for future research to explore additional variables that may strengthen the predictive power of retention models in healthcare organizations.

Overall, the findings of this study emphasize that employee retention is not determined by performance evaluation alone, but by how performance-related information is translated into meaningful developmental opportunities. The integration of performance appraisal with structured career development practices appears to be a crucial mechanism in fostering employees' long-term commitment to the organization. These results highlight the importance of aligning evaluation systems with employee development strategies in order to create a supportive organizational environment that encourages employees to remain within the organization.

CONCLUSION

This study examined the effect of 360° performance appraisal on Employee Intention to Stay with career development as a mediating variable among employees of a teaching hospital in Depok City. The findings indicate that 360° performance appraisal does not have a significant direct effect on Employee Intention to Stay, suggesting that performance appraisal systems primarily function as evaluation tools rather than as factors that directly influence employees' decisions to remain in the organization. This result implies that performance feedback alone may not be sufficient to strengthen employees' intention to remain without being supported by meaningful developmental outcomes. However, 360° performance appraisal was found to have a significant positive effect on career development, indicating that multisource feedback can provide valuable information for identifying employees' competencies and development needs. In addition, career development showed a significant positive effect on Employee Intention to Stay, indicating that clear career opportunities and professional growth play an important role in strengthening employees' commitment to the organization. Furthermore, the findings confirm that career development mediates the relationship between 360° performance appraisal and Employee Intention to Stay. This suggests that the effectiveness of performance appraisal systems in supporting employee retention largely depends on how the appraisal results are utilized to support structured career development within the organization. In other words, performance appraisal contributes to Employee Intention to Stay indirectly through career development rather than through a direct mechanism. Overall, although the explanatory power of the model was categorized as moderate, the findings provide meaningful insights into the mechanism through which performance appraisal contributes to employee retention. Therefore, organizations should integrate performance appraisal outcomes with clear and structured career development programs to enhance employees' professional growth and strengthen their intention to remain in the organization.

SUGGESTION

Organizations are encouraged to optimize the use of 360° performance appraisal results as a basis for structured and transparent career development programs, such as training, competency development, and promotion opportunities, so that employees can clearly see their career prospects within the organization. Strengthening the linkage between performance evaluation and career progression is expected to enhance employees' professional growth and reinforce their intention to remain within the organization. Future research is recommended to

include additional variables related to employee retention, such as job satisfaction, compensation, work environment, leadership style, or organizational commitment, in order to provide a more comprehensive understanding of factors influencing Employee Intention to Stay and to improve the explanatory power of future research models.

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