

The Impact of Engagement, Work-Life Balance, and Training on Employee Turnover with Compensation as a Mediator

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Abstract

The high rate of employee turnover remains one of the critical challenges in human resource management, particularly in maintaining the stability and sustainability of company operations. Internal factors such as employee engagement, work-life balance, and training effectiveness are believed to influence turnover. Conversely, compensation is considered a key factor that may mediate the relationship between these variables and employees' decisions to remain in or leave the organization. This study aims to analyze the effects of employee engagement, work-life balance, and training effectiveness on employee turnover, with compensation acting as an intervening variable at PT Maju Bersama Trussco. Employing a quantitative approach, the study used a survey method by distributing questionnaires to 100 respondents. The sampling technique applied was purposive sampling. Data were analyzed using Structural Equation Modeling (SEM) with the Partial Least Squares (PLS) approach via SmartPLS software. The analytical procedures included outer model testing, inner model testing, and hypothesis testing to examine both direct and indirect effects among variables. The findings reveal that employee engagement, work-life balance, and training effectiveness have a positive and significant impact on employee turnover. This suggests that higher levels of engagement, better work-life balance, and more effective training are associated with a greater likelihood of employees leaving the company. Additionally, all three independent variables were found to have a positive and significant effect on compensation. While compensation also positively and significantly affects turnover, it does not function as a mediating variable in the relationships between employee engagement, work-life balance, and training effectiveness with turnover.

1. Introduction

In the era of globalization and increasingly intense competition, organizations are required to possess high-quality human resources (HR) capable of delivering optimal performance. One of the most pressing challenges faced by companies is the high rate of employee turnover. Employee turnover is a phenomenon that frequently poses a major challenge across various industries, including the manufacturing sector. PT Maju Bersama Trussco, located in the Babakan Madang area, Sentul, Bogor Regency, and operating in the light steel industry, is no exception.

Employee turnover refers to a situation where individuals leave an organization and move to another for various reasons (Wirawan, 2015). Although a certain level of turnover is natural in any organization, excessively high

turnover can become a serious issue. According to Wirawan (2015), turnover can significantly affect a company's operations, productivity, and competitiveness, as well as increase operational costs due to the need for continuous recruitment, selection, and retraining.

High turnover rates may result in a range of negative impacts, including increased recruitment and training costs, reduced productivity, and the loss of institutional knowledge (Abbasi & Hollman, 2000). Furthermore, it can disrupt organizational culture and diminish the morale of remaining employees. Internal data from PT Maju Bersama Trussco indicates a rising trend in turnover over recent years, highlighting a fundamental issue in HR management. The table below shows employee turnover data for PT Maju Bersama Trussco throughout 2023:

Table 1
Employee Turnover Data of PT Maju Bersama Trussco in 2023

Month	Total Employees	Enter	Exit	Final Employees	Turnover (%)
January	95	1	3	93	3.16
February	93	4	6	91	6.45
March	96	1	2	95	2.08
April	85	5	3	87	3.53
May	87	1	2	86	2.30
June	86	2	5	83	5.81
July	83	1	2	82	2.41
August	81	4	4	81	4.94
September	79	3	4	78	5.06
October	80	3	5	78	6.25
November	82	14	5	91	6.10
December	93	2	5	90	5.38

Source: PT Maju Bersama Trussco, 2023

The highest turnover rate was recorded in February (6.45%), with 4 new hires and 6 resignations. The lowest was in March (2.08%). Overall, employee numbers fluctuated from 95 in January to 90 in December, with turnover percentages ranging from 2.08% to 6.45%. These dynamics suggest underlying issues that warrant further investigation to identify the key factors influencing employee departures.

Among the most commonly cited determinants of employee turnover are employee engagement, work-life balance, and training effectiveness (Ariani, 2013; Karatepe & Demir, 2014).

Employee engagement refers to the emotional involvement, commitment, and motivation an employee has toward their job (Schaufeli et al., 2002). Highly engaged employees tend to be more satisfied, productive, and loyal to their organization (Saks, 2019). According to Gallup (2019), organizations with high engagement levels can reduce turnover by up to 25%. For PT Maju Bersama Trussco, evaluating employee engagement is crucial, as low engagement may be a contributing factor to high turnover.

Work-life balance is another critical concern in modern organizations. It represents the ability of employees to manage time and

energy between professional and personal life effectively (Greenhaus & Allen, 2019). Poor balance can lead to stress, burnout, and increased turnover intentions (Kalliath & Brough, 2018). Research by Kossek, Valcour, and Lirio (2020) found that organizations supporting work-life balance experience lower turnover rates. In the manufacturing context, such as at PT Maju Bersama Trussco, where long hours are common, policies that enhance work-life balance are particularly important.

Training effectiveness also plays a significant role in employee retention. Well-structured training programs can improve employee competencies and provide career development opportunities (Noe et al., 2019). On the contrary, ineffective training may push employees to seek better prospects elsewhere (Salas et al., 2018). Although PT Maju Bersama Trussco has implemented training initiatives, assessing their effectiveness in reducing turnover remains necessary.

Compensation, serving as a potential intervening variable, is a major factor in retention decisions. According to Adams' Equity Theory (1963), employees compare their compensation with peers; perceived inequity may lead to dissatisfaction and eventually turnover (Milkovich et al., 2011). Trevor et al.

(1997) also found that dissatisfaction with compensation can directly influence employee turnover. At PT Maju Bersama Trussco, compensation should be evaluated not only as a standalone factor but also as part of a broader strategy alongside engagement, balance, and training.

Interestingly, some studies provide contrasting perspectives. Sandy (2019) found that compensation had no significant impact on turnover intentions, suggesting that other factors may have a stronger influence. Meanwhile, research by Boby Darma Putra (2022) on PT Bank Nagari revealed that compensation significantly mediates the relationship between work-life balance and employee performance.

Given these insights, the present study aims to examine the effects of employee engagement, work-life balance, and training effectiveness on employee turnover, with compensation acting as a mediating variable at PT Maju Bersama Trussco. The objective is to provide strategic recommendations for improving employee retention and contribute to the broader discourse on HR management, particularly in the manufacturing industry context.

2. Literature Review

Human Resource Management

Human Resource Management (HRM) is a strategic approach to managing employees as the main asset of an organization to achieve business objectives. According to Dessler (2020), HRM includes activities such as planning, recruitment, training, compensation, performance management, and labor relations to create a productive work environment. Meanwhile, Mathis and Jackson (2019) add that HRM focuses on developing systems that support employees in making optimal contributions.

James Stoner defines management as the process of planning, organizing, directing, and controlling the work of organizational

members, as well as utilizing all resources to achieve predetermined goals (Diva & Astuti, 2022). Meanwhile, G.R. Terry describes management as a series of processes including planning, organizing, motivating, and controlling actions to achieve specific goals by utilizing human and other resources (Syahputra & Aslami, 2023). From these definitions, management can be understood as both a science and an art of managing human and other resources effectively and efficiently to achieve certain goals. As an art, management emphasizes a leader's ability to influence and direct subordinates to achieve objectives. As a science, management is a field that can be studied and applied to solve organizational problems, support decision-making, and improve efficiency.

Training Effectiveness

Training is a form of human resource investment aimed at improving employee competencies, productivity, and performance. Training effectiveness refers to the extent to which training objectives are achieved and its impact on both individuals and the organization (Noe, 2020).

According to Kirkpatrick & Kirkpatrick (2018), training effectiveness can be measured through skill improvement, behavioral change, and organizational results. Saks and Burke (2018) mention three main aspects of training effectiveness:

1. Transfer of training to the workplace.
 2. Relevance of training materials to job requirements.
 3. Impact on productivity and performance.
- Sriwahyuningsih & Barseli (2022) explain that effective training enhances the capacity of individuals and teams to carry out tasks according to their job level. Apriani & Sinambela (2021) add that training is a systematic method for changing behavior to support organizational goal achievement. In general, training effectiveness includes

the success of transferring useful knowledge and visible improvements in job performance (Patrick et al., 2024; Sriwahyuningsih, 2022).

Employee Turnover

Turnover refers to the replacement of employees within an organization when workers leave and are replaced by new individuals. Turnover is an important management indicator as it reflects the organization's ability to retain its employees. A high turnover rate can reduce productivity and increase cost burdens (Mankin, 2019). Tett & Meyer (2018) classify turnover into two types:

1. Voluntary turnover: When employees leave the company of their own will.
2. Involuntary turnover: When the company terminates the employment relationship with an employee. Turnover impacts recruitment costs, training expenses, and productivity, especially when vacancies are not immediately filled or new employees underperform (Sonnentag, 2020). Turnover intention refers to an employee's desire to voluntarily leave their job (Mora et al., 2022). According to Mobley et al. in Fauzi et al. (2022), turnover intention is the tendency to switch jobs based on personal decision. Tambunan (2020) adds that this reflects an individual's effort to escape unpleasant working conditions.

Compensation

Compensation refers to all forms of rewards

received by employees in return for their contributions toward achieving organizational goals. According to Mondy & Martocchio (2019), compensation includes financial and non-financial reward systems designed to motivate and retain employees. Hasibuan (2019) states that compensation includes all income in the form of money, goods, or other benefits. Effective compensation is a key tool for creating productive and loyal employees.

According to Maulana & Yusuf (2024), compensation is a form of appreciation for employee performance, including both direct and indirect, financial and non-financial rewards. Latte (2023) emphasizes that compensation is a package of benefits offered in return for the time and energy dedicated by employees.

Marwansyah, as cited by Malik & P (2022), defines compensation as both direct and indirect rewards provided by the organization to its employees.

3. Research Methods

Place and Time of Research

This research will be conducted at **PT Maju Bersama Trussco**, located in Babakan Madang, Sentul, Bogor Regency. The research period will span three (3) months, starting from the preliminary study, proposal preparation, to data collection. The thesis proposal development process is outlined in the schedule below:

Table 3.1
Research Schedule

Activity	October 2024				November 2024				December 2024			
	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4
Study Introduction	✓	✓										

Proposal Writing	✓	✓	✓	✓									
Data Collection				✓		✓	✓	✓	✓		✓	✓	✓

Research Design

This study employs a **quantitative research design**, where the data collected is measured using a numerical scale and analyzed statistically. The purpose is to determine the relationship between variables and to test the proposed hypotheses. The independent variables (X) are assumed to influence the dependent variable (Y), while a mediating (intervening) variable (Z) is also tested.

Population, Sample, and Sampling Method

Population

According to Sugiyono (2016:80), population refers to a generalization region consisting of subjects or objects with specific qualities determined for study. The population of this study comprises **132 employees of PT Maju Bersama Trussco**.

Sample

Based on Slovin's formula:

Table 3.3

Population and Sample Distribution

No	Department	Population	Sample
1	Production	86	65
2	HRD	10	7
3	Warehouse	5	4
4	Quality Control	6	5
5	Finance & Purchasing	20	15
6	Sales	5	4
	Total	132	100

Data Collection Methods

Primary Data

Obtained directly from respondents through questionnaires distributed to PT Maju Bersama Trussco employees.

Secondary Data

Collected from previous research, journals, books, and online resources related to the variables under study.

Measurement Scale:

Table 3.4
Likert Scale

Response	Score
Strongly Agree (SA)	5
Agree (A)	4
Neutral (N)	3
Disagree (D)	2
Strongly Disagree (SD)	1

Research Instrumentation

Validity Test

The validity test ensures that the questionnaire accurately measures what it intends to measure. Validity is assessed based on the logical construction and correlation of items with the variables.

Reliability Test

Reliability refers to the consistency of the instrument. A Cronbach's Alpha value > 0.70 indicates good reliability.

Analysis and Hypothesis Testing

This research utilizes **Structural Equation Modeling (SEM)** using **Partial Least Squares (PLS)** via SmartPLS software. SEM is used to analyze relationships between latent variables.

Descriptive Statistical Analysis

Describes data through mean, standard deviation, maximum, and minimum values to provide a clear overview of each variable (Ghozali, 2016).

Inferential Statistical Analysis

Inferential statistics are used to draw conclusions about the population based on sample data. This study applies SEM-PLS with the following advantages (Hamid & Anwar, 2019):

- Can model multiple dependent and independent variables
- Handles multicollinearity
- Robust with non-normal or missing data
- Suitable for small samples

Measurement Model (Outer Model)

The outer model assesses the validity and reliability of indicators through:

- **Convergent Validity** (Loading factor ≥ 0.60)
- **Discriminant Validity**
- **Composite Reliability** (≥ 0.70)
- **Cronbach's Alpha** (≥ 0.70)
- **Average Variance Extracted (AVE)** (≥ 0.50)

Research Results and Discussion

Research result

Object Overview Study

1. Brief History of the Company

PT Maju Bersama Trussco was founded in 2016 and focuses on the field of construction, in particular in *engineering structure light steel roof frame (prefabricated)*. Since beginning stand, company has put quality, technology and innovation as runway in develop his business. With ongoing experience developing, PT Maju Bersama Trussco has incarnate be one of trusted manufacturer of construction metal materials in a way wide.

2. Vision and Commitment

With carrying the motto "Building the Indonesian Roofing Industry", the company committed For give contribution real in the construction world national. This motto reflect aspiration company For present product quality high, service professional, and participation

active in development infrastructure throughout Indonesia.

3. Structure Organization

Structure PT Maju Bersama Trussco organization consists of from a number of department main consisting of from production, HRD, Warehouse, QC, *Finance* and *Purchasing*, as well as *Sales*.

4. Products and Specializations

PT Maju Bersama Trussco produces and distributes various metal materials for building construction needs, including:

- Light Steel: C Channel and Battens
- Roof Covering: Spandek and Metal Tiles
- Floor Material: Bondeck
- Interior Structure: Hollow Gypsum
- Custom Products : Metal materials according to project requests

The company has modern production facilities and quality control systems to ensure that each product meets applicable industry standards.

5. Location and Market Reach

The head office of PT Maju Bersama Trussco is located at Ruko A5 Royal Sentul Park, Jl. Sentul Raya Circuit Jl. Sentul Raya No.km, Kadumangu, Babakan Madang District, Bogor, West Java 16810. The company has expand range the market to throughout Indonesia through trusted agents and resellers.

6. Company Values

Some of the values that the company holds dear include:

- Quality and Timeliness
- Sustainable Innovation
- Friendly and Solution-oriented Service
- Long Term Partnership with Agents/Resellers

In addition to expanding capacity production, the company also focuses on digitalization services, development design efficient structure, as well as improvement service consultation for partners project. This

effort aims for the company No only become material providers , but also solutions complete in field light steel roof construction .

Description Respondents

Study This involving 100 respondents who are employees of PT Maju Bersama Trussco , who were taken of the total population as many as 132 employees . Respondents chosen in a way proportional For represent condition current in the environment company , so that analysis conducted reflect view from all over part operational and managerial . The details are distribution Respondent is as following :

Table 4.1
Distribution Respondents

No	Department	Number of Respondents
1	Production	65
2	HRD	7
3	Warehouse	4
4	QC	5
5	Finance, Purchasing	15
6	Sales	4
	TOTAL	100

Table 4.2
Description Respondents

No.	Details Respondents	Amount	Percentage
1	Gender		
	Man	68	65%
	Woman	32	32%
2	Age		
	20 – 35 Years	58	58%

Table 4.3
Analysis Results Statistics Descriptive

Name	Mean	Median	Observed min	Observed max	Standard deviation	Number of observations used
X1-1	3.89	4	2	5	0.646	100

	36 – 50 Years	32	32%
	Over 50 Years	10	10%
3	Years of service		
	< 1 Year	12	12%
	15 years	50	50%
	6 – 10 Years	28	28%
	> 10 Years	10	10%

Source : Primary Data (processed data , 2025)

Based on table description respondents , as many as 65% of respondents is male , showing that majority power work at PT Maju Bersama Trussco dominated by men , while the other 35% is women . In terms of age , 58% of respondents be in range age 20–35 years , indicating domination employee age productive young . Furthermore , 32% are aged 36–50 years , and 10% are over 50 years old . Seen from the working period , some big respondents , namely 50%, have Work for 1–5 years , followed by 28% with 6–10 years of service , 12% less from 1 year , and 10% have Work more from 10 years . Composition This show diversity in experience work and age that can give diverse perspectives in study .

Analysis Statistics Descriptive

Analysis statistics descriptive that is all data that has been collected What existence through sizes statistics poured out in form of words or scheme , then described so that can give realistic clarity . Analysis This aiming For give description or description a data in variables viewed from mean value , standard deviation , maximum , and minimum.

Analysis results statistics descriptive For each grain statements on each variable can seen in table 4.3 below :

X1-2	3.86	4	2	5	0.633	100
X1-3	3.83	4	2	5	0.617	100
X1-4	3.84	4	2	5	0.758	100
X1-5	3.93	4	2	5	0.621	100
X1-6	3.84	4	2	5	0.745	100
X2-1	3.84	4	2	5	0.644	100
X2-2	3.9	4	2	5	0.686	100
X2-3	3.91	4	2	5	0.68	100
X2-4	3.88	4	2	5	0.725	100
X2-5	3.83	4	2	5	0.749	100
X2-6	3.87	4	2	5	0.702	100
X3-1	3.94	4	2	5	0.759	100
X3-2	3.91	4	2	5	0.694	100
X3-3	3.88	4	2	5	0.697	100
X3-4	3.8	4	2	5	0.775	100
X3-5	3.87	4	2	5	0.594	100
X3-6	3.9	4	2	5	0.671	100
X3-7	3.9	4	2	5	0.624	100
X3-8	3.75	4	2	5	0.669	100
Z-1	3.92	4	2	5	0.56	100
Z-2	3.94	4	2	5	0.676	100
Z-3	3.88	4	2	5	0.725	100
Z-4	3.96	4	2	5	0.692	100
Z-5	3.92	4	2	5	0.658	100
Y-1	3.97	4	2	5	0.685	100
Y-2	4.01	4	2	5	0.714	100
Y-3	3.91	4	2	5	0.722	100
Y-4	4	4	2	5	0.762	100
Y-5	3.98	4	2	5	0.693	100
Y-6	4.06	4	2	5	0.676	100

Source : SmartPLS Output (Processed data , 2025)

Information :

X1 : *Employee engagement*
X2 : *Work Life Balance*
X3 : *Effectiveness Training*
Z : *Compensation*
Y : *Employee Turnover*

Table 4.3 shows minimum, maximum , average, median and standard values deviation For every variables . From the results analysis of the data above , then can concluded as following :

1. *Employee engagement (X1)*

highest average value on the variable *Employee engagement (X1)* is of 3.93 and the lowest average value compared to with an average of overall is of 3.83. This is show that generally Respondent answer neutral tend agree . Standard value deviation lies in the range value 0.617 – 0.758, indicating far data dispersion from the average.

2. *Work Life Balance (X2)*

highest average value on the variable *Work Life Balance (X2)* is of 3.91 and the lowest average value compared to with an average of overall is of 3.83. This is show that

generally Respondent answer neutral tend agree . Standard value deviation lies in the range value 0.644 – 0.749, indicating far data dispersion from the average.

3. Effectiveness Training (X3)

highest average value on the variable Effectiveness Training (X3) is of 3.94 and the lowest average value compared to with an average of overall is of 3.75. This is show that generally Respondent answer neutral tend agree . Standard value deviation lies in the range value 0.594 – 0.775, indicating far data dispersion from the average.

4. Compensation (Z)

5. highest average value on the variable Compensation (Z) is of 3.96 and the lowest average value compared to with an average of overall is of 3.88. This is show that generally Respondent answer neutral tend agree . Standard value deviation lies in the range value 0.560 – 0.725, indicating far data dispersion from the average.

6. Employee Turnover (Y)

7. highest average value on the variable Employee Turnover (Y) is of 4.06 and the lowest average value compared to with an average of overall is of 3.91. This is show that generally Respondent part big answer agree . Standard value deviation lies in the range value 0.676 – 0.762, indicating far data dispersion from the average.

Model (SEM) with use approach *Partial Least Squares* (PLS) with help software SmartPLS . Analysis the done through 3 stages analysis , namely *outer model* / measurement model (validity and reliability testing), *inner model* / structural model , and hypothesis testing .

Evaluation of Measurement Model (Outer Model)

Measurement model in study This consists of from the measurement model reflective Where variable openness , accountability , parental trust , and parental loyalty measured in a way reflective . In Hair et al (2021), the evaluation of the measurement model reflective consists of from evaluation validity convergent , namely *Loading Factor* ≥ 0.60 , *Composite Reliability* ≥ 0.70 , *Cronbach's Alpha* ≥ 0.70 and *Average Variance Extracted* (AVE) ≥ 0.50 , as well as evaluation validity discriminant , namely Fornell-Larcker criteria and HTMT (*Heterotrait-Monotrait Ratio*) below 0.90, and the value AVE root more big compared to with mark correlation between variable others , and mark *Cross Loadings* > 0.7 where correlation construct with measurement items more big than construct other .

Validity test calculation results convergent (value *Outer Loading*, *Cronbach's Alpha* , *Composite Reliability* , and AVE) for each item measurement served in table 4.4 below This :

Analysis and Testing Hypothesis

Analysis statistics inferential in study This done with method *Structural Equation*

Table 4.4
Validity Test Results Convergent

	Measurement Items	Outer Loading	Cronbach's Alpha	Composite Reliability	AVE
Effectiveness Training (X3)	X3.1	0.731	0.864	0.894	0.514
	X3.2	0.706			
	X3.3	0.784			
	X3.4	0.686			
	X3.5	0.735			
	X3.6	0.721			
	X3.7	0.747			

	X3.8	0.616			
Employee engagement (X1)	X1.1	0.833	0.923	0.939	0.720
	X1.2	0.845			
	X1.3	0.864			
	X1.4	0.840			
	X1.5	0.854			
	X1.6	0.856			
Compensation (Z)	Z.1	0.825	0.904	0.928	0.722
	Z.2	0.856			
	Z.3	0.878			
	Z.4	0.855			
	Z.5	0.832			
Employee Turnover (Y)	Y.1	0.837	0.923	0.940	0.724
	Y.2	0.843			
	Y.3	0.888			
	Y.4	0.858			
	Y.5	0.869			
	Y.6	0.807			
Work Life Balance (X2)	X2.1	0.825	0.901	0.924	0.670
	X2.2	0.816			
	X2.3	0.776			
	X2.4	0.806			
	X2.5	0.836			
	X2.6	0.850			

Source : SmartPLS Output (Processed data , 2025)

Based on Table 4.4 Validity test results convergent can outlined as following :

1. *Employee engagement (X1)*

Variables *Employee engagement* is measured by 6 (six) valid measurement items with *outer loading* between 0.833 – 0.864, which means all measurement items This validly reflects measurement *employee engagement* . Reliability level variable can received , indicated by the value *Cronbach's alpha* and *composite reliability* > 0.70, namely 0.923 and 0.939 (reliable). Validity level convergence indicated by the AVE value of 0.720 > 0.50 has fulfil condition validity good convergence . In overall the variation of measurement items contained in a variable reached 72.0%.

2. *Work Life Balance (X2)*

Variables *work life balance* measured by 6 (six) valid measurement items with *outer loading* between 0.776 – 0.850, which means all measurement items This validly reflects measurement *work life balance* . Reliability level variable can received , indicated by the value *Cronbach's alpha* and *composite reliability* > 0.70, namely 0.901 and 0.924 (reliable). Validity level convergence indicated by the AVE value of 0.670 > 0.50 has fulfil condition validity good convergence . In overall the variation of measurement items contained in a variable reached 67.0%.

3. *Effectiveness Training (X3)*

Variables *effectiveness training* measured by 8 (eight) valid measurement items with *outer loading* between 0.616 – 0.747, which means all measurement items This validly

reflects measurement effectiveness training. Reliability level variable can received, indicated by the value *Cronbach's alpha* and *composite reliability* > 0.70, namely 0.864 and 0.894 (reliable). Validity level convergence as indicated by the AVE value of $0.514 > 0.50$ has fulfil condition validity good convergence. In overall the variation of measurement items contained in a variable reached 51.4%.

4. Compensation (Z)

Variables compensation measured by 5 (five) valid measurement items with *outer loading* between 0.825 – 0.878, which means all measurement items This validly reflects compensation. Reliability level variable can received, indicated by the value *Cronbach's alpha* and *composite reliability* > 0.70, namely 0.904 and 0.928 (reliable). Validity level convergence as indicated by the AVE value of $0.722 > 0.50$ has fulfil condition

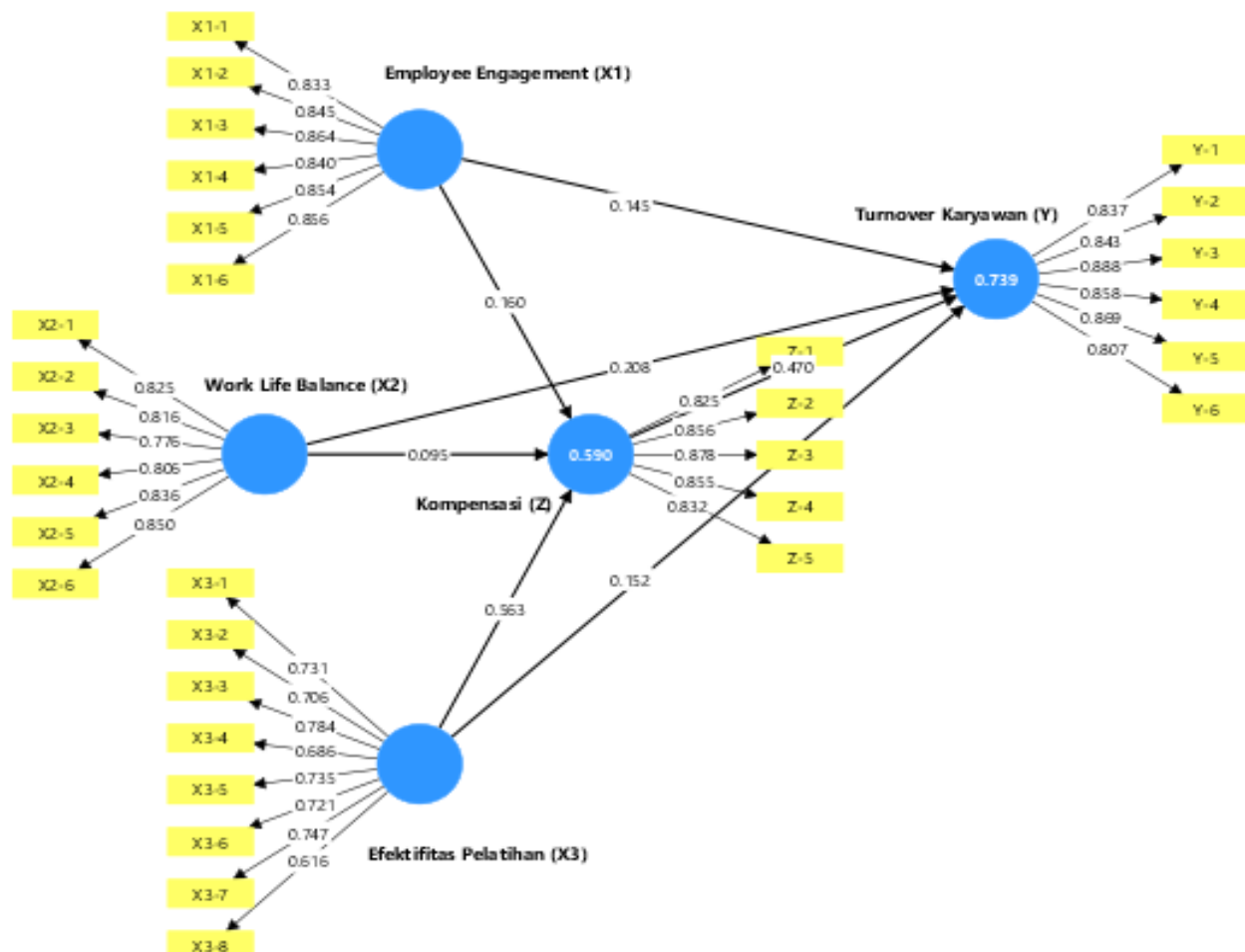
validity good convergence. In overall the variation of measurement items contained in a variable reached 72.2%.

5. Employee Turnover (Y)

Variables parental trust measured by 6 (six) valid measurement items with *outer loading* between 0.807 – 0.888, which means all measurement items This validly reflects measurement employee turnover. Reliability level variable can received, indicated by the value *Cronbach's alpha* and *composite reliability* > 0.70, namely 0.923 and 0.940 (reliable). Validity level convergence indicated by the AVE value of $0.724 > 0.50$ has fulfil condition validity good convergence. In overall the variation of measurement items contained in a variable reached 72.4%.

Outer Loading results are presented in form picture as following:

Figure 4.1
Outer Loading Results



Source : SmartPLS Output (Processed data , 2025)

After done evaluation validity convergent , next done evaluation validity discriminant through the Fornell-Larcker test, HTMT (*Heterotrait-Monotrait Ratio*), and cross

loadings . Evaluation results validity discriminants are each presented in form table as following :

Table 4.5

Fornell-Larcker Test Results

Discriminant Validity Larcker Criteria

	Training Effectiveness (X3)	Employeeeee engagement (X1)	Compensation (Z)	Turnover (Y)	Work Life Balance (X2)
Training Effectiveness (X3)	0.817				
Employeeeee engagement (X1)	0.758	0.849			
Compensation (Z)	0.762	0.633	0.85		
Turnover (Y)	0.787	0.657	0.807	0.851	
Work Life Balance (X2)	0.805	0.477	0.625	0.693	0.818

Source : SmartPLS Output (Processed data , 2025)

The diagonal value is AVE root and value other is correlation . Evaluation validity discriminant need done with see Fornell-Larcker criteria . Validity discriminant is form evaluation For ensure that variable in a way theory different and proven in a way empirical / testing statistics . The Fornell-Larcker criterion is that AVE root of variable more big from correlation between variable . Variable effectiveness training have the root of AVE is

0.817, more big the correlation from variable *employee engagement* (0.758), compensation (0.762), employee turnover (0.787) and *work life balance* (0.805). These results show that validity discriminant variable accountability fulfilled . Thus with fulfillment validity *employee engagement* , compensation , employee turnover , and *work life balance*.

Table 4.6
HTMT Test Results

	Training Effectiveness (X3)	Employeeeee engagement (X1)	Compensation (Z)	Turnover (Y)	Work Life Balance (X2)
Training Effectiveness					
Employeeeee Engagement	0.886				
Compensation	0.875	0.681			

Turnover Employee	0.866	0.668	0.882		
Work Life Balance	0.722	0.506	0.690	0.757	

Source : SmartPLS Output (Processed data , 2025)

Hair et al (2019) recommend HTMT because size validity discriminant This rated more sensitive or accurate in detect validity discriminant . Recommended value is below 0.90 . The test results in table 4.6 show HTML

value for partner variable < 0.90, then can concluded that validity discriminant achieved . Variable share measurement item variation to the item that measures it more strong compared to share variance on variable items other .

Table 4.7
Cross Loadings Results

Cross Loading	Training Effectiveness (X3)	Employee engagement (X1)	Compensation (Z)	Turnover (Y)	Work Life Balance (X2)
X1-1	0.588	0.833	0.48	0.445	0.261
X1-2	0.611	0.845	0.523	0.534	0.397
X1-3	0.693	0.864	0.519	0.594	0.501
X1-4	0.692	0.84	0.611	0.681	0.495
X1-5	0.668	0.854	0.602	0.569	0.444
X1-6	0.575	0.856	0.444	0.464	0.262
X2-1	0.636	0.41	0.446	0.566	0.825
X2-2	0.621	0.39	0.56	0.587	0.816
X2-3	0.7	0.416	0.557	0.544	0.776
X2-4	0.631	0.277	0.479	0.539	0.806
X2-5	0.686	0.393	0.507	0.502	0.836
X2-6	0.678	0.443	0.511	0.653	0.85
X3-1	0.731	0.756	0.53	0.618	0.482
X3-2	0.706	0.736	0.539	0.587	0.409
X3-3	0.784	0.772	0.627	0.659	0.505
X3-4	0.686	0.765	0.515	0.512	0.331
X3-5	0.735	0.347	0.593	0.522	0.728
X3-6	0.721	0.346	0.538	0.562	0.757
X3-7	0.747	0.341	0.582	0.595	0.735
X3-8	0.616	0.209	0.419	0.427	0.72
Y-1	0.622	0.511	0.654	0.837	0.521
Y-2	0.644	0.549	0.657	0.843	0.638
Y-3	0.722	0.569	0.75	0.888	0.608
Y-4	0.684	0.609	0.714	0.858	0.567
Y-5	0.685	0.582	0.704	0.869	0.609
Y-6	0.655	0.525	0.637	0.807	0.594
Z-1	0.606	0.432	0.825	0.64	0.504

Z-2	0.699	0.52	0.856	0.69	0.581
Z-3	0.653	0.608	0.878	0.703	0.512
Z-4	0.634	0.555	0.855	0.687	0.532
Z-5	0.639	0.565	0.832	0.707	0.525

Source : SmartPLS Output (Processed data , 2025)

From table 4.7 it can be seen that mark correlation of each construct with the indicator more big compared to with mark correlation construct others . As example , indicator X1.1 (indicator *employee engagement*) has mark *outer loading* 0.833. The value is more tall from mark *outer loading* on construction others , namely 0.588, 0.48, 0.445, and 0.261. The table also shows that X1.1-X1.6 variable indicator *employee engagement* own mark more *outer loading* tall from mark *outer loading* on construction others . With thus can concluded that all latent construct shows validity good discriminant Because can predict indicators on each block more good / better tall from indicators on block other .

Structural Model Evaluation (Inner Model)

Structural model evaluation related with testing hypothesis influence between

variable research . Examination structural model evaluation done in three stage , namely First , check No existence multicollinear between variable with size *inner VIF* (*Variance Inflated Factor*) < 5. Second , testing hypothesis between variables . Third , the *f square* value which is specification connection between latent variables , also known as *inner relation* . Testing This is a test of type and magnitude influence from variable independent to variable dependent . Testing This consists of from 2 stages , namely the Coefficient test Determination (*Adjusted R Square*), namely test that counts how much big variable independent capable explain variance from variable dependent and hypothesis testing which is testing to research model hypothesis .

The results of the evaluation of the structural model (*inner model*) are each presented. in shape table as following :

Table 4.8
Inner VIF Value

	Training Effectiveness	Employeeeee engagement	Compensation	Employee Turnover	Work Life Balance
Training Effectiveness			1,132	1,298	
Employeeeee engagement			1,023	2,279	
Compensation				1,346	
Employee Turnover					
Work Life Balance			1,289	1,312	

Source : SmartPLS Output (Processed data , 2025)

Table 4.8 shows results estimate mark *inner VIF* < 5, then level multicollinear between

variable low . This result strengthen results parameter estimation in SEM PLS is *robust* (unbiased).

Table 4.9
R Square Test Results

	R-square	R-square adjusted
Compensation (Z)	0.59	0.577
Turnover (Y)	0.739	0.728

Source: SmartPLS Output (Processed data , 2025)

As seen in table 4.9, the relationship between construct based on mark *R Square Adjusted* , namely mark variable Compensation

is of 0.577, meaning variable compensation can explained by 57.7% (moderate) by variable *Employee engagement* , *Work Life Balance* , and *Effectiveness Training* , while the other 42.3% explained by other variables that are not examined . Furthermore , the value *R Square Adjusted* variable *Employee Turnover* is of 0.728, meaning variable employee turnover can explained by 72.8% (almost nature substantial / large) by variable *Employee engagement* , *Work Life Balance* , *Effectiveness Training* , and *Compensation* , while the other 27.2% explained by other variables that are not researched .

Table 4.10
SRMR Test Results

	Estimated Model
SRMR	0.065

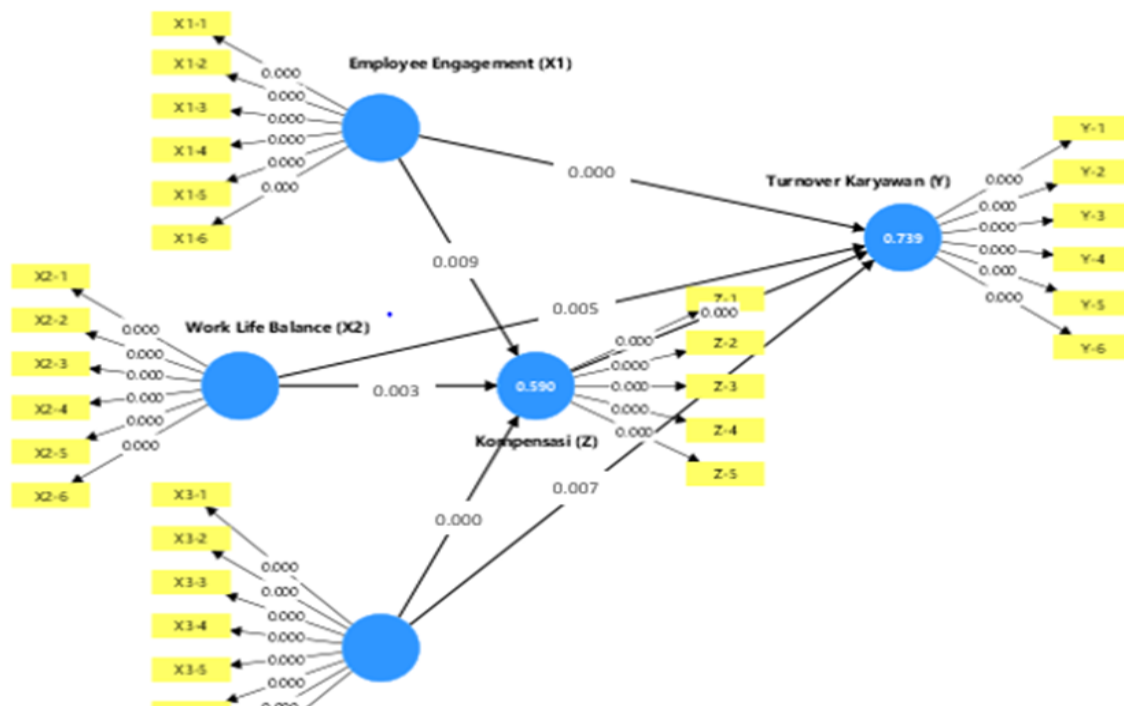
Source : SmartPLS Output (Processed data , 2025)

Based on table 4.10 can known that SRMR (*Standardized Root Mean-Square Residual*) is 0.065 (< 0.08), then can it is said study This own good fit *model* or generally considered as good model fit .

Hypothesis Testing

Testing hypothesis done through method *Resampling Bootstrap* (*Bootstrapping*) using SmartPLS . Calculation hypothesis can seen from mark *Path Coefficient* , *P-Value* (< 0.05), and also *F Square* . *Bootstrapping* results served in picture as following :

Figure 4.2
Bootstrapping Results



Test results hypothesis (influence direct and influence No directly) described in table following :

Table 4.11
Test Results Hypothesis (Influence Direct)

Direct Effect	Path Coefficient	Standard deviation (STDEV)	P values	F Square
Training Effectiveness -> Compensation	0.563	0.153	0,000	0.290
Training Effectiveness -> Employee Turnover	0.452	0.184	0.007	0.164
Employee engagement -> Compensation	0.416	0.108	0.009	0.313
Employee engagement -> Employee Turnover	0.545	0.092	0,000	0.319
Compensation -> Employee Turnover	0.470	0.128	0,000	0.136
Work Life Balance -> Compensation	0.495	0.127	0.003	0.213
Work Life Balance -> Employee Turnover	0.408	0.143	0.005	0.276

Source : SmartPLS Output (Processed data , 2025)

Based on results testing hypothesis (influence directly) above , then known as following :

1. Hypothesis Testing First (Influence *Employee engagement* to *Employee Turnover*)

Hypothesis first submitted in study This is there is influence *employee engagement* to *employee turnover* at PT Maju Bersama Trussco . *Path coefficient* value of 0.545 and the value *p-value* of 0.000 (0.000 < 0.05), with mark standard deviation of 0.092, and has mark *f square* is 0.319 (tends to be high), then H₁₀ is rejected and H_{1a} is accepted , which means there is influence *employee engagement* in a way positive and significant to *Employee turnover* at PT Maju Bersama Trussco .

- b) Hypothesis Testing Second (Influence) *Work Life Balance* towards *Employee Turnover*)

Hypothesis the second one submitted in study This is there is influence *work life balance* to *employee turnover* at PT Maju Bersama Trussco . *Path coefficient* value of 0.408 and the value *p-value* of 0.005 (0.005 < 0.05), with mark standard deviation of 0.143, and has mark *f square* is 0.276 (medium-high), then H₂₀ is rejected and H_{2a} is accepted , which means there is influence *work life balance* in a way positive and significant to *Employee turnover* at PT Maju Bersama Trussco .

- c) Hypothesis Testing Third (Influence) Effectiveness Training to *Employee Turnover*)

Hypothesis the third one proposed in study This is there is influence effectiveness training to *employee turnover* at PT Maju Bersama Trussco . *Path coefficient* value of 0.452 and the value *p-value* of 0.007 (0.007 <

0.05), with mark standard deviation of 0.184, and has mark *f square* is 0.164 (moderate), then H_{3o} is rejected and H_{3a} is accepted , which means there is influence effectiveness training in a way positive and significant to Employee *turnover* at PT Maju Bersama Trussco .

d) Hypothesis Testing Fourth (Influence) Compensation to Employee *Turnover*)

Hypothesis the fourth one proposed in study This is there is influence compensation to employee *turnover* at PT Maju Bersama Trussco . *Path coefficient* value of 0.470 and the value *p-value* of 0.000 ($0.000 < 0.05$), with mark standard deviation of 0.128, and has mark *f square* is 0.136 (tends to be medium), then H_{4o} is rejected and H_{4a} is accepted , which means there is influence compensation in a way positive and significant to Employee *turnover* at PT Maju Bersama Trussco .

e) Hypothesis Testing Fifth (Influence) Employee *engagement* towards Compensation)

Hypothesis the fifth one proposed in study This is there is influence *employee engagement* to compensation at PT Maju Bersama Trussco . *Path coefficient* value of 0.416 and the value *p-value* of 0.009 ($0.009 < 0.05$), with mark standard deviation of 0.108, and has mark *f square* is 0.313 (medium-high), then H_{5o} is rejected and H_{5a} is accepted , which means there is influence *employee*

engagement in a way positive and significant to compensation at PT Maju Bersama Trussco .

f) Hypothesis Testing Sixth (The Influence of *Work Life Balance* on Compensation)

Hypothesis the sixth one proposed in study This is there is influence *work life balance* to compensation at PT Maju Bersama Trussco . *Path coefficient* value of 0.495 and the value *p-value* of 0.003 ($0.003 < 0.05$), with mark standard deviation of 0.127, and has mark *f square* is 0.213 (moderate), then H_{6o} is rejected and H_{6a} is accepted , which means there is influence *work life balance* positive and significant to compensation at PT Maju Bersama Trussco .

g) Hypothesis Testing Seventh (Influence) Effectiveness Training to Compensation)

Hypothesis the seventh submitted in study This is there is influence effectiveness training to compensation at PT Maju Bersama Trussco . *Path coefficient* value of 0.563 and the value *p-value* of 0.000 ($0.000 < 0.05$), with mark standard deviation of 0.153, and has mark *f square* is 0.290 (moderate), then H_{7o} is rejected and H_{7a} is accepted , which means there is influence effectiveness training in a way positive and significant to compensation at PT Maju Bersama Trussco .

Test results hypothesis (influence No directly) is as following :

Table 4.12
Test Results Hypothesis (Indirect Influence)

Indirect Effect	<i>Path Coefficient</i>	Standard deviation (STDEV)	<i>P Values</i>
Training Effectiveness -> Compensation -> Employee Turnover	0.265	0.116	0.022
Employee engagement -> Compensation -> Employee Turnover	0.375	0.052	0.007
Work Life Balance -> Compensation -> Employee Turnover	0.345	0.06	0.008

Source : SmartPLS Output (Processed data , 2025)

Based on results testing hypothesis (influence No directly) above , then known as following :

- a. Hypothesis Testing Eighth (Influence) *Employee engagement* towards *Employee Turnover* through Compensation)
Hypothesis the eighth submitted in study This is there is influence *employee engagement* to *employee turnover* through compensation at PT Maju Bersama Trussco . *Path coefficient* value of 0.375 and the value *p-value* of 0.007 ($0.007 < 0.05$), with mark standard deviation of 0.052, then can concluded that there is influence No direct *employee engagement* in general positive and significant to *employee turnover* through compensation at PT Maju Bersama Trussco . However , because magnitude mark influence No direct more small from influence directly ($0.375 < 0.545$), then H_{80} is accepted and H_{8a} is rejected , which means No there is influence *employee engagement* to *employee turnover* through compensation at PT Maju Bersama Trussco . This means that the variable compensation not enough play a role in mediate influence *employee engagement* to *Employee turnover* at PT Maju Bersama Trussco .
- b. Hypothesis Testing Ninth (Influence) *Work Life Balance* towards *Employee Turnover* through Compensation)
Hypothesis the ninth submitted in study This is there is influence *work life balance* to *employee turnover* through compensation at PT Maju Bersama Trussco . *Path coefficient* value of 0.345 and the value *p-value* of 0.008 ($0.008 < 0.05$), with mark standard deviation of 0.060, then can concluded that there is influence No direct *work life balance* positive and significant to *employee turnover* through compensation at PT Maju Bersama Trussco . However , because magnitude mark influence No direct more small from influence directly ($0.345 < 0.408$), then H_{90} is accepted and H_{9a} is rejected , which means

No there is influence *work life balance* to *employee turnover* through compensation at PT Maju Bersama Trussco . This means that the variable compensation not enough play a role in mediate influence *work life balance* to *Employee turnover* at PT Maju Bersama Trussco .

- Hypothesis Testing Tenth (Influence) Effectiveness Training to *Employee Turnover* through Compensation)
Hypothesis the tenth submitted in study This is there is influence effectiveness training to *employee turnover* through compensation at PT Maju Bersama Trussco . *Path coefficient* value of 0.265 and the value *p-value* of 0.022 ($0.022 < 0.05$), with mark standard deviation of 0.116, then can concluded that there is influence No direct effectiveness training in a way positive and significant to *employee turnover* through compensation at PT Maju Bersama Trussco . However , because magnitude mark influence No direct more small from influence directly ($0.265 < 0.452$), then H_{100} is accepted and H_{10a} is rejected , which means No there is influence effectiveness training to *employee turnover* through compensation at PT Maju Bersama Trussco . This means that the variable compensation not enough play a role in mediate influence effectiveness training to *Employee turnover* at PT Maju Bersama Trussco .

4.2 Discussion

1. Influence of Employee Engagement on Employee Turnover

Based on the study's analysis results, the employee engagement variable shows a path coefficient of 0.545 with a *p-value* of 0.000 ($0.000 < 0.05$), indicating a positive and significant influence on employee turnover at PT Maju Bersama Trussco. This finding suggests

that higher employee engagement actually increases turnover, which contradicts initial expectations and general theory. This result contrasts with theories proposed by Schaufeli et al. (2002) and Saks (2019), as well as findings by Sucahyowati & Hendrawan (2020), which suggest that greater engagement decreases the intention to leave. However, this finding aligns with Tambunan (2020), who found a negative but insignificant influence.

This counterintuitive result can be explained by the concept of *perceived employability* (Schaufeli & Bakker, 2004). Highly engaged employees are typically more competent, confident, and attractive to other companies. At PT Maju Bersama Trussco, these engaged employees may feel unappreciated, prompting them to seek opportunities elsewhere where they feel more recognized. According to Saks (2019), employees who are highly engaged but do not receive fair recognition or support from the organization are more likely to leave because they perceive themselves as valuable in the labor market.

This phenomenon may also stem from *hidden dissatisfaction*. While employees may appear engaged, a lack of supportive work environment, fair rewards, and clear career progression can make them feel "overqualified." They are then more mentally and professionally prepared to pursue better opportunities. This aligns with the Job Demands-Resources (JD-R) theory (Bakker & Demerouti, 2007), which posits that personal resources such as engagement only reduce burnout and turnover when supported by good job conditions.

2. Influence of Work-Life Balance on Employee Turnover

The analysis shows that work-life balance has a path coefficient of 0.408 with a p-value of 0.005 ($0.005 < 0.05$), indicating a positive and significant influence on employee turnover at PT Maju Bersama Trussco. This suggests that better work-life balance is associated with higher turnover, which is contrary to the initial

hypothesis and conventional theory. This finding contradicts Greenhaus & Allen (2019) and Cahyadi & Prastyani (2020), who argue that work-life balance reduces turnover. However, it aligns with the findings of Novitasari & Dessyarti (2022), who found that the influence of work-life balance on turnover is not direct but mediated by other variables.

Although a good work-life balance is generally expected to reduce turnover, this finding can be explained through *Self-Determination Theory* (Deci & Ryan, 2000). Employees with good work-life balance tend to have high autonomy and are more reflective about their life choices, including their job. When compensation or career development is lacking, such employees may choose to leave in pursuit of roles that better align with their personal values.

Moreover, good work-life balance can lead to deeper self-reflection, encouraging employees to evaluate whether their current job aligns with their life goals. This reflective process, referred to by Kalliath & Brough (2008), may result in employees choosing to leave if they feel unfulfilled in other job aspects.

3. Influence of Training Effectiveness on Employee Turnover

The analysis indicates that training effectiveness has a path coefficient of 0.452 with a p-value of 0.007 ($0.007 < 0.05$), showing a positive and significant influence on employee turnover. This implies that training actually increases turnover, possibly because it enhances employees' competencies, making them more confident to seek other opportunities. These findings contradict Kirkpatrick & Kirkpatrick (2018) and Djabar et al. (2021), who suggest that training reduces turnover. However, the findings align with Hasanah & Wahyunintyas (2021), who observed that training does not significantly reduce turnover intention.

This outcome is supported by the *training-induced turnover* theory (Allen et al.,

2003), which states that training enhances skills and opens external opportunities. Employees who feel more competent may be more confident in seeking better jobs outside the organization. Training may thus act as a double-edged sword—while developing employee capabilities, it may also encourage them to leave. According to Noe et al. (2020), training increases an employee's market value. If not followed by career advancement or reward, this may lead to dissatisfaction and exit. Aguinis & Kraiger (2009) refer to this as a *strategic mismatch* in HR policies.

4. Influence of Compensation on Employee Turnover

The analysis results show a path coefficient of 0.470 and a p-value of 0.000 ($0.000 < 0.05$), indicating a positive and significant influence of compensation on employee turnover at PT Maju Bersama Trussco. This contradicts the common expectation that compensation reduces turnover, and also goes against findings by Prameswari & Asih (2021) and Saputra (2022).

This phenomenon may be explained through *Expectancy Theory* (Vroom, 2014), which suggests that employees may receive high compensation but still feel dissatisfied if their work is unfulfilling or misaligned with their life goals. Additionally, if compensation is distributed unfairly, it may lead to *social jealousy* or *horizontal inequity*, where employees feel their compensation is not proportional compared to others with lower contributions. According to *Equity Theory* (Adams, 2016), compensation inequality causes psychological strain. In some workplace cultures, money alone does not define loyalty or satisfaction.

5. Influence of Employee Engagement on Compensation

The analysis reveals a path coefficient of 0.416 and a p-value of 0.009 (< 0.05), indicating a positive and significant influence of employee engagement on compensation. This supports

previous research by AON Hewitt (2017) and Sutejo et al. (2022), which found that engaged employees tend to perceive their compensation as fair.

Engaged employees generally perform better and contribute more to organizational success, prompting companies to reward them with better compensation. Even when the monetary value is unchanged, engaged employees may perceive compensation more positively—a concept known as *psychological compensation*. Through *Perceived Organizational Support*, employees view engagement, trust, and recognition as integral parts of their total rewards.

6. Influence of Work-Life Balance on Compensation

The study shows a path coefficient of 0.495 and a p-value of 0.003 (< 0.05), indicating a positive and significant influence of work-life balance on compensation perception at PT Maju Bersama Trussco. This supports the theory by Kossek et al. (2020) and the findings of Bobby Darma Putra (2022), who consider work-life balance as part of the total reward system.

According to the *Total Rewards* framework (Kossek et al., 2020), compensation includes not only monetary benefits but also non-financial aspects such as flexibility, family leave, and supportive culture. Employees who experience good work-life balance tend to perceive these benefits as valuable compensation. In this context, flexible work hours and respect for personal time enhance employees' appreciation and satisfaction toward their compensation.

7. Influence of Training Effectiveness on Compensation

The results show a path coefficient of 0.563 with a p-value of 0.000, indicating a positive and significant influence of training effectiveness on compensation perception. This aligns with research by Noe (2020), Alhidayatullah et al. (2023), and Djabar et al. (2021).

Training is often seen as an investment in human capital, increasing an employee's market value. Employees perceive such development opportunities as a form of compensation. Effective training also provides psychological satisfaction and may lead to promotions—forms of indirect compensation that are highly valued. At PT Maju Bersama Trussco, training appears to significantly enhance employees' perception of compensation, as it boosts professionalism and prepares them for career advancement.

8. Influence of Employee Engagement on Employee Turnover Through Compensation

The analysis shows an indirect effect of employee engagement on employee turnover through compensation, with a path coefficient of 0.375 and a p-value of 0.007 (< 0.05), indicating statistical significance. However, this indirect influence is weaker than the direct effect of employee engagement on turnover (0.545). Therefore, it can be concluded that the direct effect is stronger and more influential than the mediated effect through compensation. This suggests that while compensation serves as a mediating variable, the primary influence of engagement on turnover remains more dominant.

5. Conclusion

a. Conclusion

Based on the results of the research conducted on the influence of employee engagement, work-life balance, and training effectiveness on employee turnover with compensation as an intervening variable at PT Maju Bersama Trussco—using SEM-PLS analysis with the SmartPLS software—the following conclusions can be drawn:

1. **Employee engagement has a positive and significant effect on employee turnover.** This indicates that higher employee engagement may paradoxically lead to higher turnover. This could be because highly engaged employees feel more competent and valuable in the labor market, especially if they do not receive proportional recognition and rewards from the company.
2. **Work-life balance has a positive and significant effect on employee turnover.** This suggests that employees with a better balance between work and personal life are more likely to consider leaving, possibly due to increased self-awareness and the time to explore better career opportunities.
3. **Training effectiveness has a positive and significant effect on employee turnover.** This implies that effective training can increase turnover, as enhanced competencies encourage employees to seek better opportunities elsewhere.
4. **Compensation has a positive and significant effect on employee turnover.** This finding contradicts initial expectations. The increase in compensation appears to correlate with higher turnover, possibly due to perceived inequities or injustices in the compensation system that lead to dissatisfaction.
5. **Employee engagement has a positive and significant effect on compensation.** Engaged employees tend to perceive the compensation they receive as a fair reward for their contributions. Engagement enhances positive perceptions of both financial and non-financial compensation.
6. **Work-life balance has a positive and significant effect on compensation.** Employees with good work-life balance often perceive that the company values their personal well-being and provides fair compensation.
7. **Training effectiveness has a positive and significant effect on compensation.** Effective training increases employees' perception that the company is investing in their personal and professional development as a form of reward.

8. **Compensation does not mediate the relationship between employee engagement, work-life balance, and training effectiveness on employee turnover.** The direct effects of these three variables on turnover are stronger without compensation acting as a mediating factor.

b. Suggestions

Based on the findings, several suggestions can be made for the company and future research:

1. **For the company, particularly PT Maju Bersama Trussco:**

It is important to re-evaluate human resource management strategies, especially in managing employee engagement, work-life balance, training effectiveness, and the compensation system. Although engagement and training are crucial for improving performance, the company must ensure that engaged and well-trained employees feel valued and have clear paths for career development. This includes involving employees in strategic decisions, offering performance-based rewards, and providing promotion opportunities. Additionally, enhancing work-life balance programs should not only include flexible working hours but also align with career growth and reward systems. Regular audits of the compensation system are also necessary to ensure fairness, transparency, and alignment between workload and rewards. These efforts will help strengthen employee loyalty and promote a sustainable and productive working relationship.

2. **For future researchers:**

It is recommended to broaden the scope of the variables by considering additional factors that may influence employee turnover, such as job satisfaction, organizational climate, leadership style, or organizational commitment. Studies in different industries or in larger-scale companies would also improve the

generalizability of the findings. Moreover, exploring moderating variables such as organizational culture or employee career levels may offer deeper insights into how engagement, work-life balance, training, and compensation interact to influence turnover decisions.

By expanding the research scope, future studies can provide more comprehensive contributions toward developing effective employee retention strategies that support organizational sustainability.

By implementing these recommendations, companies can improve the effectiveness of human resource management, create a healthier and more supportive work environment, and significantly reduce employee turnover. At the same time, future research can enrich academic literature and management practices regarding the dynamics that influence workforce loyalty and sustainability.

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