Compensation, Worklife Balance, Employee Engagement and Turnover Intention

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Abstract

The significance of conducting this study lies in its pressing relevance to PT Bali Busana Kreasi, aiming to address turnover intention issues and foster a more productive and fulfilling work environment for its employees. The study's core objective is to scrutinize the impact of compensation and work-life balance on turnover intention, with employee engagement serving as a mediating factor. This research employs a quantitative research approach and is conducted at PT Bali Busana Kreasi, situated on Jl Raya Anggi Elok. The data sources encompass both primary and secondary data, with the entire workforce of 162 employees representing the research population. Simple random sampling, employing the Slovin formula, is employed to select 116 samples. The data is analyzed through Structural Equation Modeling.The outcomes of hypothesis testing indicate the following key findings: 1) Compensation exhibits a significant negative influence on turnover. 2) Work-life balance demonstrates a significant negative impact on turnover intention. 3) Compensation positively and significantly affects employee engagement. 4) Work-life balance significantly promotes employee engagement. 5) Employee engagement significantly diminishes turnover intention. 6) compensation mediated by employee engagement on turnover intention has a significant negative effect. 7) there is a significant negative relationship between work-life balance through employee engagement and intention to leave.

Keywords: Compensation, Worklife Balance, Employee Engagement, Turnover Intention

1. Introduction

The fashion industry is a dynamic industry, operating in a highly competitive environment, and constantly evolving. The life of a company depends heavily on its human resources, and good management must focus on managing human resources well in order to minimize employee turnover. Turnover intention can occur in all types of companies. Employees' intentions to leave the company, whether by resignation or termination, are known as turnover intentions. A high turnover rate can reduce an organization's efficacy because it results in the loss of experienced staff members (Christiani et al., 2022). Turnover intention is something that a company does not want. A high intention of turnover will negatively affect the business and may lead to instability and a lack of clarity regarding working conditions (Heryanda, 2019). High turnover can lead to less effectiveness of an organization due to the loss forso experienced and qualified employees (Suswati, 2020). As well as affecting organizational costs, including the cost of recruiting new employees, and training new employees (Rebecca et al., 2020). This has the potential to disrupt the productivity of the company and diminish customer satisfaction.

Ultimately, this could prove highly detrimental to the organization since the investments made would result in increased turnover. (Novianti & Fuadiputra, 2021). Some indications of turnover intention are usually characterized by declining employee responsibility, laziness at work, leaving the workplace during working hours and an increase in protests against superiors. (Miftahul Janna et al., 2023). Some factors that influence turnover intention include compensation, work-life balance, and employee engagement. Appropriate compensation, career development opportunities, and work-life balance can influence whether an employee wants to stay or look for another job. (Halim & Antolis, 2021).

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Based on data from the Human Resources Department of PT Bali Busana Kreasi, there is a phenomenon related to employee turnover intention. most employees who leave the company are due to work flexibility, compensation, employee engagement. This is in accordance with one of the indicators of turnover intention according to (Meiliawati Ratri et al., 2022). namely the desire to find another job which reflects individuals who intend to leave. Problems related to employee turnover are shown in Table 1 about the number of employees leaving PT Bali Busana from 2020 to 2022 below:

Table 1. Turnover rate of PT Bali Busana Kreasi

Year	Number of employees at the beginning of the year	Number of employees entered	Number of employees left	Number of employees at the end of the year	Turnover Rate (%)
2020	150	7	36	121	-19.33
2021	121	66	13	174	43.80
2022	174	2	14	162	-6.90

Source: PT Bali Busana Kreasi

Table 1 shows the employee turnover of PT Bali Busana Kreasi and the number of employees who leave and enter is very fluctuating. As can be observed from the above table, 2020 had the highest turnover rate, coming in at -19.33%. However, 2021 had the lowest turnover rate 43.80% of any year. From the results of the researcher's observations, the researcher found a phenomenon at PT Bali Busana Kreasi related to Turnover intention. The turnover rate is classified as quite high. Sod this research is important to do in order to solve the company's turnover intention problem.

Variables pertinent to the fashion industry and their connection to the problem of turnover intention include compensation, work-life balance, and employee engagement. Compensation plays a crucial role in shaping an employee's determination to remain with or depart from the company. Employees who find their compensation satisfactory tend to exhibit higher loyalty, while discontent with compensation can give rise to turnover intention (Hidayah & Ananda, 2021). Work-life balance, Employees tend to feel dissatisfied with their work-life balance and consider a move (Rofida Novianti & Fuadiputra, 2021). Engaged employees are often characterized by higher loyalty and reduced rates of turnover intention (Miftahul Janna et al., 2023).

In light of this research, a research gap becomes evident, which is the insufficient depth of understanding regarding the role of employee engagement as an intermediary factor among significant variables like compensation, work-life balance, and turnover intention. Past research has shed light on the impact of compensation, but there remains a gap in our comprehension of how employee engagement operates in this relationship (Hidayah & Ananda, 2021) and work-life balance (Rofida Novianti & Fuadiputra, 2021) on turnover intention, but has not thoroughly considered how employee engagement can mediate the relationship between these factors. Meanwhile, other studies highlight the importance of employee engagement in influencing employees' decision to stay or change jobs (Miftahul Janna et al., 2023). In this specific situation, this research aims to bridge the existing gap by concentrating on the function of employee engagement as an intermediary element linking compensation, work-life balance, and turnover intention within PT Bali Busana Kreasi. The anticipated outcome of this study is to offer a more profound understanding of the intricate interplay among these factors and furnish recommendations for organizations to proactively enhance employee retention and foster a more favorable workplace atmosphere.

2. Literature Review

2.1. Turnover Intention

Turnover intention represents an individual's inclination to depart from their current job due to specific reasons and pursue better employment opportunities (Putri & Anisa, 2022). Knowing intention rates for turnover could help lower actual turnover rates and make it possible to implement tactics that prevent the loss of human resources (Mariwa et al., 2021).

2.2. Employee Engagement

Employee engagement encompasses the emotional and physical commitment of employees, inspiring them to carry out their tasks with enthusiasm and self-assurance. It materializes when an individual is consciously attentive and emotionally linked to others. (Mulang, 2022). Dedicated employees seek effective communication with their

supervisors, work that holds significance and inspires them, and a secure working environment (Maarif & Sumertajaya, 2021). Employee engagement represents the extent to which employees are actively and wholeheartedly engaged in their work, thereby enhancing their dedication to their job and the organization. Engaged employees are deeply committed to their tasks, aiming to elevate the company's competitiveness by delivering exceptional productivity, improved service, and decreased employee turnover (Katili et al., 2021).

2.3. Compensation

Compensation is an element of the cost of expenses paid to employees for services and sacrifices of resources (time, energy, and thoughts) and competencies (knowledge, and abilities) Activities conducted over a specific duration to accomplish company objectives, which are regarded as earnings and form an integral component of the company's compensation and benefits system within the employment contract (Arief et al., 2021). Compensation is a form of recognition and reward provided to employees, encompassing both financial and non-financial aspects, as a fair acknowledgment of their contributions toward accomplishing organizational objectives. It is a crucial component for any company aiming to enhance its employees' performance and motivation (Cakrawardani et al., 2020).

2.4. Worklife Balance

The equilibrium that a person maintains between their personal and professional obligations is known as work-life balance, and it helps them to effectively manage multiple roles and responsibilities. (Muliawati & Surabaya, 2020). Work-life balance is characterized by a person's ability to effectively juggle different roles in their life, encompassing their professional, social life, and other primary responsibilities (Baisa & Nilasari, 2022). To facilitate employees in maintaining a healthy balance between their personal and professional lives commitments, companies should elevate their work-life policies. Moreover, employees who benefit from Flexible work arrangements frequently lead to reduced stress and workplace conflicts. This phenomenon is often described as achieving work-life balance, as it empowers employees to effectively manage their workload within the company without succumbing to stress (Katili et al., 2021).

2.5. Hypothesis Development

a. Compensation on Turnover Intention

According to (Fitriani & Yusiana, 2020; Meiliawati Ratri et al., 2022; Putri & Anisa, 2022), In the findings derived, it is evident that compensation exerts a noteworthy negative impact on turnover intention. Based on this examination, the authors propose:

H1: As employees receive a higher level of compensation, the likelihood of experiencing turnover intention decreases.

b. Worklife Balance on Turnover Intention

According to (Prayogi et al., 2019) Through their examinations, it was revealed that Work-life balance significantly and favorably affects the intention to leave an employer. According to (Rofida Novianti & Fuadiputra, 2021) Additionally, worklife balance exhibits a substantial impact on turnover intention. Drawing from these tests, the authors posit:

H2: Maintaining a healthy work-life balance will probably prevent employees from wanting to quit the company.

c. Compensation on Employee Engagement

According to (Puspita, 2020) research, the results indicate that compensation significantly influences employee engagement at PT. Bank X, Tbk.. Bank X, Tbk. (Jermy et al., 2021) Stated that compensation has a positive and substantial impact on employee engagement among BPJS Health Head Office employees. In light of these findings, the authors propose:

H3: Improved compensation leads to enhanced Employee Engagement.

d. Worklife Balance on Employee Engagement

According to (Widyawati et al., 2021) Researchers at PT "X" found that among Generation Y employees, work-life balance significantly improves employee engagement. According to research (Rebecca et al., 2020), There is a positive correlation between employee engagement and work-life balance. In light of these evaluations, the writers suggest:

H4: Improved work-life balance leads to enhanced Employee Engagement.

e.   Employee Engagement on Turnover Intention

According to research (Rachman & Dewanto, 2016) It is clear from their research findings that the intention to leave is significantly influenced by employee engagement. According to (Miftahul Janna et al., 2023) research, states that employee engagement affects turnover intention. Based on these tests the authors formulate:

H5: The research suggests that when employee engagement is lower, turnover intention tends to be higher.

f.   Compensation on Turnover Intention through Employee Engagement

According to research (Irawan & Komara, 2020; Saputra & Suwandana, 2021) According to their research, There is a connection between intention to turnover and compensation. that can be mediated by employee engagement. Based on these findings, the authors propose:

H6: When compensation is provided adequately, it can enhance employee engagement, thereby reducing turnover intention.

g.   Worklife Balance on Turnover Intention through Employee Engagement

According to research (Ningsih et al., 2022; Novianto Deny, 2023) Employee engagement was found to be able to mediate the connection involving work life balance and turnover intention during their tests. Based on these conclusions, the writers suggest:

H7: Enhanced work-life balance leads to improved employee engagement, thereby minimizing turnover intention.

2.6. Conceptual Framework

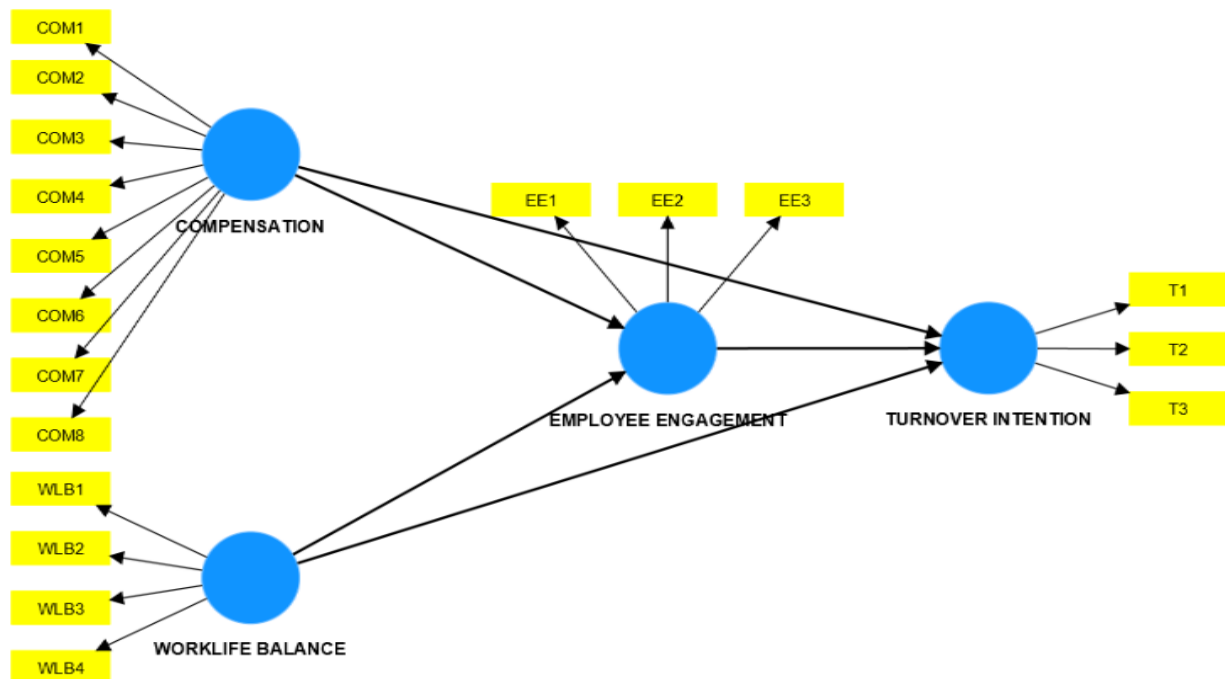The conceptual framework for this research shown on Figure 1.

Figure 1. Conceptual Framework

3. Methods

This research was conducted at PT Bali Busana Kreasi, situated at Jalan Raya Anggi Elok No. 19, Dalung, North Kuta

District, Badung Regency. All PT Bali Busana Kreasi employees made up the study's population. In this investigation, simple random sampling was the sample method used. A sample of 116 people was chosen from a population of 162 employees using the Slovin formula and a 5% margin of error. Data collection involved both observation and the distribution of questionnaires, with primary and secondary data sources being utilized. The research instrument was subjected to validation and reliability tests.. A validity test is a test of research questions with the aim of seeing the extent to which respondents understand the questions asked by researchers (Hafni Sahir, 2021). A reliability test aims to assess the consistency of responses provided by the participants. Reliability is expressed in numerical form, usually as the higher coefficient, the reliability or consistency of the respondent's answer is high. This study's data analysis approach was structural equation modeling.

4. Result and Discussions

4.1. Respondent Characteristics

All respondents in this study have filled in a complete identity which includes name, age, gender and length of work. The profile of the 116 respondents who participated as shown in the table 2.

Table 2. Respondent Characteristics

Indicator	Sub-indicator	Percentage
Age	< 25 years old	14%
	26-35 years old	21%
	36-45 years old	23%
	> 46 years old	42%
Gender	Female	67%
	Male	33%
Length of service	1-12 year	16%
	1-3 year	28%
	4-5 year	20%
	> 5 year	37%

Based on the table 2, the average age of workers is <46 years as much as 42%, the average worker at PT. Bali Busana Kreasi is Female. Meanwhile, the average length of work of the staff of PT Bali Busana Kreasi is> 5 years as many as 37%.

4.2. Measurement Evaluation (Outer Model)

Indicator reliability, internal consistency reliability, convergent validity, and discriminant validity are used to evaluate the reflective measurement model; convergent validity, indicator collinearity, and the importance and relevance of indicator weights are used to evaluate the formative measurement model. (Hair et al., 2021). This test begins with the construct validity test stage, which includes discriminant validity, which is indicated by the cross loading value, and convergent validity, which is determined by observing the loading factor value and AVE value. The Composite Reliability value then indicates the second stage, which is reliability testing.

Based on table 3, it shows that the convergent validity of each construct has a loading factor value> 0.60, thus the indicator is declared valid.

Table 4 displays additional information in addition to the loading factor value. The Average Variance Extracted (AVE) value shows that it is less than 0.50. This indicates that the construct is considered legitimate (Hair et al., 2021).

Table 3. Outer Loading Result

	Compensation	Employee Engagement	Turnover Intention	Work Life Balance
C1	0.941			
C2	0.912			
C3	0.929			
C4	0.937			
C5	0.918			
C6	0.915			
C7	0.929			
C8	0.938			
E1		0.935		
E2		0.972		
E3		0.956		
T1			0.966	
T2			0.978	
T3			0.978	
WLB1				0.951
WLB2				0.952
WLB3				0.936
WLB4				0.955
WLB5				0.937

Table 4. Average Variance Extracted (AVE) Result

	Average Variance Extracted (AVE)
Compensation	0.860
Employee Engagement	0.911
Turnover Intention	0.948
Work Life Balance	0.896

Table 5 shows the results of testing discriminant validity using the cross loading value. Each research indicator, which includes compensation, employee engagement, work-life balance, and turnover intention, has a higher indicator correlation value in its own construct than the correlation value of indicators with other constructs, indicating that the indicator is valid.

Table 6 illustrates that there is a greater correlation between the latent variables and the proportional root value of AVE. As a result, it can be said that the research data satisfies the criteria for discriminant validity. In general, the instruments employed have shown to be reliable.

Each research construct has a Composite Reliability value greater than 0.7, according to Table 7. Thus, all research statement items have proven to be reliable and consistent or have met the reliability requirements well.

4.3. Evaluation Structural Model (Inner Model)

An inner model is a structural model that uses R2 (the exogenous variable's R-square) to determine the percentage of variance explained in order to link latent variables (Jena, 2020). Using bootstrapping calculations, the path coefficient value is used to determine the degree of influence between latent variables. When the collection of construction predictors is correlated, Path coefficient's importance and pertinence Model evaluation parameters, such as explanatory power and out-of-sample predictive power, for the sample (Hair et al., 2021).

Table 5. Cross Loading Result

	Compensation	Employee Engagement	Turnover Intention	WorkLife Balance
C1	**0.941**	0.861	-0.715	0.830
C2	**0.912**	0.819	-0.682	0.821
C3	**0.929**	0.863	-0.748	0.856
C4	**0.937**	0.885	-0.764	0.861
C5	**0.918**	0.820	-0.695	0.812
C6	**0.915**	0.786	-0.637	0.801
C7	**0.929**	0.810	-0.651	0.825
C8	**0.938**	0.861	-0.709	0.853
E1	0.844	**0.935**	-0.709	0.839
E2	0.876	**0.972**	-0.734	0.879
E3	0.872	**0.956**	-0.745	0.876
T1	-0.742	-0.745	**0.966**	-0.752
T2	-0.741	-0.747	**0.978**	-0.748
T3	-0.728	-0.742	**0.978**	-0.742
WLB1	0.859	0.873	-0.721	**0.951**
WLB2	0.862	0.870	-0.720	**0.952**
WLB3	0.829	0.825	-0.701	**0.936**
WLB4	0.857	0.846	-0.718	**0.955**
WLB5	0.843	0.870	-0.767	**0.937**

Table 6. Fornell-Larcker Criterion Result

	Compensation	Employee Engagement	Turnover Intention	Work Life Balance
Compensation	**0.927**			
Employee Engagement	0.905	**0.954**		
Turnover Intention	-0.757	-0.765	**0.974**	
Work Life Balance	0.898	0.906	-0.767	**0.946**

Table 7. Reliabilitas Testing Result

	Composite Reliability
Compensation	**0.980**
Employee Engagement	**0.968**
Turnover Intention	**0.982**
Work Life Balance	**0.977**

Table 8. Results of the Coefficient of Determination R-square

	R Square	R Square Adjusted
Employee Engagement	0.864	0.862
Turnover Intention	0.623	0.613

The employee engagement construct's R^2 value, as indicated by the R-square test results shown in Table 8, is 0.864, meaning that the work-life balance and compensation constructs account for 86.4% of the variation in employee engagement. The results obtained show that the value of R^2 can be categorized as strong because it has exceeded the requirement of 0.75. The remaining 13.6% of the variation in employee engagement constructs can be explained by other factors. Additionally, the constructs of compensation, work-life balance, and employee engagement account for 62.3% of the variation in turnover intention, according to the R^2 value of 0.623 obtained by the turnover intention construct. Based on the obtained results, the R^2 value can be classified as moderate as it surpasses the required value of 0.50. Other factors account for the remaining 37.7% of the variation in turnover intention constructs.

Table 9. F-square Result

	Compensation	Employee Engagement	Turnover Intention	Work Life Balance
Compensation		0.316	0.019	
Employee Engagement			0.028	
Turnover Intention				
Work Life Balance		0.330	0.039	

Table 9 indicates that, with a score of 0.330, the connection between employee engagement and work-life balance had the highest f-square value. The relationship between the employee engagement and compensation constructs came in second with a score of 0.316, the second highest f-square value. The results obtained show that the effect size on the two relationships between these constructs can be categorized as moderate or moderate because it is in the range above 0.15 - 0.35. Furthermore, the relationship between the three constructs namely compensation, employee engagement, and work life balance on turnover intention obtained a small f-square value with a score of 0.019; 0.028; and 0.039 respectively. These results confirm that there is a relatively small predictive power because it is in the 0.02 - 0.15 category.

Q Square Test

$$Q^2 = 1 - (1 - R_1^2)(1 - R_2^2)$$

$$Q^2 = 1 - (1 - 0,864)(1 - 0,623)$$

$$Q^2 = 1 - (0,136)(0,377)$$

$$Q^2 = 1 - 0,0513$$

$$Q^2 = 0,949 = 94,9\%$$

It is evident from the results of the Q-square value calculation that 94.9%, or 0.949, is the Q2 value that was obtained. The obtained results indicate that the Q-square (Q2) value is greater than 0, indicating a high predictive relevance and a good reconstruction of the observed values (Sarwono & Narimawati, 2015).

Goosdnes Of Fit Test

$$GoF = \sqrt{\overline{Com} \times \overline{R^2}}$$

$$GoF = \sqrt{0,904 \times 0,743}$$

$$GoF = \sqrt{0,672}$$

$$GoF = 0,820 = 82,0\%$$

Based on the results of the GoF calculation, 0.820 is the GoF value, as can be seen. The GoF value in this study is in the large category, according to the results, as it has surpassed the 0.36 threshold (Haryono, 2017). Thus, the overall goodness of fit of the structural model can be confirmed to be good.

Table 10. Hypothesis Test Results

	Original Sample	T Statistics	P Values
Compensation -> Employee Engagement	0.472	4.407	**0.000**
Compensation -> Turnover Intention	-0.219	1.662	**0.049**
Employee Engagement -> Turnover Intention	-0.277	1.938	**0.027**
Work Life Balance -> Employee Engagement	0.482	4.574	**0.000**
Work Life Balance -> Turnover Intention	-0.319	2.144	**0.016**

The bootstrapping method was used in this study to test the hypotheses, and Tables 10 and 11, respectively, display the results of the testing, either directly or indirectly (through mediation). The findings of the hypothesis testing in this study indicate that all relationships between constructs that have been formulated are acceptable. The t-statistic value that was obtained, which was greater than 1.65 and had p-values below the 0.05 significance level, serves as evidence of this. The hypothesis testing results further support the notion that the employee engagement construct can act as a

significant mediating variable in the relationship between work-life balance and turnover intention as well as compensation. All things considered, no hypothesis is disproved.

Table 11. Mediation Hypothesis Test Results

	Original Sample	T Statistics	P Values
Compensation -> Employee Engagement -> Turnover Intention	-0.131	1.761	**0.039**
Work Life Balance -> Employee Engagement -> Turnover Intention	-0.134	1.766	**0.039**

4.4. Discussions

4.4.1. Compensation's Relationship to Turnover Intention

The outcomes of hypothesis testing reveal a substantial and negative correlation between compensation and turnover intention. This is evident from the negative path coefficient value of 0.219, indicating that the compensation construct has a negative influence of approximately 21.9% on the turnover intention construct. Additionally, the results of the significance test, conducted using the t-statistic value and p-value, affirm the existence of a significant association between compensation and turnover intention. The t-statistic value of 1.662 (>1.65) and the p-value of 0.049 (<0.05) both support this. In this context, it can be inferred that higher levels of compensation tend to reduce employees' intentions to seek employment elsewhere. These results are consistent with earlier studies, including studies conducted by (Putri & Anisa, 2022) This aligns with prior research, including studies that have also observed a negative impact of compensation on turnover intention.

4.4.2. Relationship between Work Life Balance and Turnover Intention

The results indicate that work-life balance has a substantial and negative impact on turnover intention. This is evident from the negative path coefficient value of 0.319, suggesting that the work-life balance construct exerts a negative influence of about 31.9% on the turnover intention construct. Additionally, the significance test, carried out using the t-statistic value and p-value, confirms the existence of a significant connection between work-life balance and turnover intention. This is evident through the t-statistic value of 2.144 (>1.65) with a p-value of 0.016 (<0.05). In this context, it can be inferred that a well-maintained balance between work and personal life has the potential to reduce employees' intentions to seek alternative employment. These findings are supported by research conducted by (Rilantiana et al., 2022) which found a similar negative relationship, as well as by research (Irawan & Komara, 2020) which states that work life balance can reduce turnover intention.

4.4.3. Compensation's Relationship to Employee Engagement

The findings indicate a strong and favorable correlation between employee engagement and compensation. The positive path coefficient value of 0.472 indicates that there is a positive influence of approximately 47.2% from the compensation construct to the employee engagement construct. Additionally, compensation and employee engagement are significantly correlated, as shown by the t-statistic value and p-value from the significance test. The t-statistic value of 4.407 (>1.65) with a p-value of 0.000 (<0.05) illustrates this. In this context, it can be inferred that a well-structured compensation system within a company has the potential to establish and maintain strong relationships among employees. This finding supports research by (Jermy et al., 2021; Puspita, 2020) which found a positive effect of compensation on employee engagement.

4.4.4. Work Life Balance Realantionship to Employee Engagement

The results demonstrate a significant and positive relationship between employee satisfaction and work-life balance. The positive path coefficient value of 0.483 indicates that employee engagement is significantly and favorably impacted by the work-life balance construct. Furthermore, it is abundantly evident from the significance test—which was carried out using the t-statistic value and p-value—that work-life balance and employee engagement are significantly correlated. The t-statistic value of 4.574 (>1.65) and the p-value of 0.000 (<0.05) both support this. After putting this theory to the test, it was found that employee engagement is positively and significantly impacted by work-life balance. In this setting, maintaining a healthy work-life balance has the ability to foster and strengthen positive working relationships.This discovery aligns with the outcomes as well by (Irawan & Tanuwijaya, 2022; Widyawati et al., 2021).

4.4.5. Employee Engagement on Turnover Intention

This study demonstrates that employee engagement exerts a negative and significant impact on turnover intention. This is evident from the negative path coefficient value of 0.277, indicating that the employee engagement construct has a negative influence of approximately 27.7% on the turnover intention construct. Furthermore, the significance test, performed using the t-statistic value and p-value, verifies the presence of a significant connection between employee engagement and turnover intention. The t-statistic value of 1.938 (>1.65) and the p-value of 0.027 (<0.05) both support this. In this case, the more bonded and well-established relantionship between employees can reduce turnover intention. Vice versa, when employees are unable to establish good relantionships between each other, this tends to lead to the emergence of asking employee to leave ethe company. this results are in line with the findings by (Miftahul Janna et al., 2023; Rachman & Dewanto, 2016).

4.4.6. Compensation Attachment to Turnover Intention through Employee Engagement

It has been established that employee engagement acts as a mediator in the relationship between intention to leave and compensation. with a notable mediation effect. This is evident from the t-statistic value of 1.761 (>1.65) and p-values of 0.039 (<0.05). Consequently, it can be concluded that the relationship between compensation and turnover intention, when mediated by employee engagement, is statistically confirmed as having a negative and significant effect. This finding implies that a more effective implementation of compensation policies can enhance the strong bond among employees, thereby reducing turnover intention. This result is in accordance with the findings by (Irawan & Komara, 2020; Meiliawati Ratri et al., 2022).

4.4.7. Attachment of Work Life Balance to Turnover Intention through Employee Engagement

Employee engagement also operates as a mediator between work-life balance and turnover intention, with a meaningful mediating effect. The results of the significance test, as determined by the t-test, establish a significant mediating impact of the work-life balance construct on turnover intention through employee engagement. This is evident from the t-statistic value of 1.766 (>1.65) and p-values of 0.039 (<0.05). Consequently, it can be inferred that the relationship between work-life balance and turnover intention, when mediated by employee engagement, is statistically verified as having a negative and significant effect. This discovery suggests that maintaining a healthy work-life balance can enhance the relationships among employees and reduce turnover intention. This finding supports the results of research by (Ningsih et al., 2022; Novianto Deny, 2023).

5. Conclusions

The conclusions of this study are as follows, 1) Employee turnover intention is significantly and negatively impacted by pay level. The intention of employee turnover is lower at higher compensation levels. 2) The intention of employees to leave their jobs is negatively and significantly impacted by their work-life balance. There is typically less intention of employee turnover when work-life balance is properly maintained. 3) A sound compensation plan has a positive and significant impact on employee engagement. The implementation of an effective compensation system can foster and preserve positive relationships among employees. 4) A healthy work-life balance has a positive and substantial impact on employee engagement. This may enhance harmonious working relationships. 5) There's a clear and negative correlation between employee engagement and the desire to quit. Employee relationships are inversely correlated with the intention to leave. 6) A negative and substantial connection, mediated by employee engagement, exists between employee engagement and the intention to leave an employer. An effectively implemented compensation plan can reduce employee intention to leave and increase employee engagement. 7) Furthermore, studies have demonstrated a strong and negative correlation mediated by employee engagement between worklife balance and the intention of employees to leave their jobs. Enhancing work-life balance can increase employee engagement and decrease the intention of employee turnover. In the overall research results, factors such as compensation, work-life balance, and employee engagement are interconnected in influencing employee turnover intention. Good implementation of compensation policies and maintaining work-life balance can help reduce employees' turnover intention by strengthening their engagement.

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