



# ANALYSIS OF EMPLOYEE ENGAGEMENT, AND WORK-LIFE BALANCE ON EMPLOYEE RETENTION AT BANK UNIVERSAL BPR BINTARO BRANCH: THE ROLE OF ORGANIZATION COMMITMENT AS A MODERATION VARIABLE

Zarnelis <sup>1)</sup>; Yudi Nur Supriadi <sup>2\*)</sup>

1) [melskotto@gmail.com](mailto:melskotto@gmail.com), Universitas Pembangunan Nasional Veteran Jakarta

2) [yudinursupriadi@upnvj.ac.id](mailto:yudinursupriadi@upnvj.ac.id), Universitas Pembangunan Nasional Veteran Jakarta

\*corresponding author

## Abstract

This study aims to analyze the influence of employee engagement and work-life balance on employee retention with organizational commitment as a moderation variable in employees of Bank Universal BPR Bintaro Branch. The study used an explanatory quantitative approach with a sample of 100 respondents selected through purposive sampling techniques. The data was analyzed using the Partial Least Squares Structural Equation Modeling (PLS-SEM) method through SmartPLS software. The results of the study show that employee engagement has a positive and significant effect on employee retention, while work-life balance has a positive but insignificant effect. Organizational commitment has been shown to have a strong direct influence on employee retention, but it does not act as a moderation variable in the relationship between employee engagement and work-life balance on employee retention. These findings make a theoretical contribution by showing that in the context of small organizations such as BPR, organizational commitment serves as an independent factor that determines loyalty, rather than as a reinforcer of psychological relationships between variables. The novelty of this research lies in the application of the organizational commitment moderation model in the microbanking sector with the PLS-SEM approach, which is rarely used in retention studies in Indonesia.

**Keywords:** Employee Engagement; Employee Retention; Organizational Commitment; Work–Life Balance

## INTRODUCTION

In the modern banking era, which is characterized by increasingly fierce competition, the role of human resource management (HRM) has become increasingly strategic in maintaining the sustainability of the organization through efforts to retain high-performing employees. Post-pandemic dynamics, the emergence of disruptive financial technology, and changing expectations of the workforce generation are driving organizations to revisit their approach to employee management, engagement, and well-being (Kaufman, 2023; Ulrich & Dulebohn, 2015). The contemporary HR paradigm is now shifting from an administrative orientation to a strategic approach based on employee work experience (employee experience), which includes the employee engagement (EE), Work-life balance (WLB), and organizational commitment (OC) as a core element of the organization's competitive advantage (Bakker, 2023; Saks & Gruman, 2023). In the context of Indonesian banking, including Bank Universal BPR Bintaro Branch, the issue of high turnover is a major concern because it has the potential to disrupt operational stability, reduce service quality, and increase recruitment and retraining costs (Presbyter, 2025).

Employees in the banking sector often face a high workload that includes aggressive sales targets, complex administrative demands, and pressure to comply with stringent regulations. By framework Job Demands Resources (JD-R), an imbalance between work demands (Job Demands) and resource availability (Job Resources) can lead to psychological fatigue and work stress, which ultimately increases the employee's intention to leave the organization (Bakker, 2023; Mazzetti, Schaufeli, & Guglielmi, 2023). Conversely, the availability of resources such as managerial



support, work autonomy, and a good work-life balance policy can strengthen employees' intrinsic motivation and emotional attachment to the organization, thereby increasing the chances of long-term retention (Zaitouni, Al Amri, & Rahman, 2024). In this context, employee engagement and Work-life balance are the two main determinants that determine the success of an organization in maintaining employee loyalty and commitment.

Employee engagement Describe the employee's level of energy, dedication, and engagement with his or her work (Schaufeli, et al, 2006). Employees who have a level Commitment High usually indicates consistent work motivation, innovative spirit, and a tendency to stay longer in the organization (Mazzetti et al., 2023; Presbyter, 2025). Commitment Not only does it have an impact on performance improvement, but it also serves as a psychological mechanism that strengthens the mutual relationship between employees and the organization, thereby reducing exit intent (Saks & Gruman, 2023). In the microbanking sector such as BPR, where interpersonal relationships and customer trust are crucial factors, employees' emotional involvement with the organization is the difference between a loyal workforce and a flexible workforce. In addition to Commitment, Work-life balance has an important role in maintaining employee welfare and productivity. WLB refers to an individual's ability to balance the demands of work with personal or family responsibilities (Greenhaus & Allen, 2011). The imbalance between the two can lead to emotional exhaustion, stress, and role conflicts that lead to increased turnover intention (S. Kim & Park, 2022). Conversely, when organizations provide policies that support that balance such as flexible working hours, adequate time off, or support for families, employee satisfaction and loyalty levels increase (Qadri, et al, 2024). Based on Conservation of Resources (COR) Theory The WLB can serve as a personal resource that helps individuals manage stress and recover psychological energy, thus strengthening the intention to stay within the organization.

Despite the relationship between Commitment, WLB, and retention have been extensively researched, empirical results showing significant variation in the power of influence across a variety of organizational contexts (Zaitouni et al., 2024). One potential explanatory factor is organizational commitment (OC). OC is understood as the psychological bond that connects individuals to the organization, which consists of three dimensions: affective commitment (based on emotional attachment), normative (based on moral obligation), and continuum (Meyer, et al. 2002). Based on Social Exchange Theory (P. M. Blau, 1964), when the organization shows concern for the well-being and work-life balance of employees, individuals will reciprocate by increasing loyalty and commitment to the organization. Recent research shows that OC plays a role in strengthening positive influences Commitment and WLB against persistent intent, especially when workplace social relationships and organizational values align with employees' personal expectations (Greenhaus & Allen, 2011; Lo, et al, 2024). Conversely, when the level of commitment is low, the effect is positive Commitment and WLB can be significantly reduced (Pratiwi & Fatoni, 2023).

Despite the large number of previous studies, there are some research gaps (Research gaps) that still needs to be addressed. First, from a contextual aspect, most of the research on Commitment, WLB, and retention are carried out in developed countries with a focus on the hospitality, health, and education sectors. Meanwhile, studies in the context of microbanking in Indonesia, which have the characteristics of intensive work, high target pressure, and limited resources, are still very limited. Second, from a theoretical perspective, most studies place OC as a mediating variable or outcome, not as a moderator that strengthens the relationship between Commitment/WLB and retention. In fact, in the perspective of JD-R and COR, OC can act as Psychological amplifier that convert the resource's effect into a persistent behavior (Bakker, 2023).



Third, from a methodological perspective, the majority of research still uses design Cross-sectional that are unable to capture the dynamics of interactive relationships between variables, and have not tested the effect of moderation using more sophisticated statistical approaches such as simple slopes or Johnson Neyman analysis (Mazzetti et al., 2023).

Based on this description, this study aims to: (1) analyze the influence of employee engagement on employee retention; (2) examining the influence of work-life balance on employee retention; and (3) examining the role of organizational commitment moderation in the two relationships in employees of Bank Universal BPR Bintaro Branch. Theoretically, this study expands the JD-R, COR, and SET models by placing organizational commitment as a moderation variable that strengthens the psychological effects of engagement and work-life balance on survival decisions. Practically, the results of this study are expected to provide insight for BPR management to design an effective engagement strategy and work-balance policy in increasing long-term employee loyalty.

## **LITERATURE REVIEW**

### **Employee Engagement**

Employee engagement It is generally understood as a positive, energetic, and work-oriented psychological condition, characterized by the individual's emotional, cognitive, and physical involvement in carrying out tasks (Schaufeli et al., 2006). Commitment Describe the extent to which employees feel enthusiastic, proud, and committed to their work and are willing to invest extra effort beyond the minimum demands (Mazzetti et al., 2023). In the perspective of strategic MSDM, Commitment is seen as one of the main determinants of organizational effectiveness because it is directly related to performance, service quality, and employees' decision to stay (Saks & Gruman, 2023). In the context of banking, employee engagement It is important because the work is service-oriented and demands direct interaction with customers, administrative accuracy, and regulatory compliance. Engaged employees tend to show a stable service orientation, loyalty to the institution, and a long-term commitment to staying in the organization (Lo et al., 2024).

Classical and up-to-date literature consistently refer to three main dimensions Commitment as measured in Utrecht Work Engagement Scale (Bakker, 2023; Mazzetti et al., 2023) : Vigor It is shown through high energy levels, mental resilience at work, and willingness to work hard and continue to survive in the face of work obstacles. Dedication Reflects a sense of meaning, enthusiasm, inspiration, pride, and a sense of belonging to the work. Employees feel their work is important and aligned with personal values. Absorption describes a condition when employees are so focused and dissolved in their work that it is difficult to let go, and experience conditions similar to "flow". These three dimensions are often measured on the Likert scale (e.g. 1 = strongly disagree up to 5 or 7 = strongly agree). Score Commitment are generally associated with stronger defensive intent and lower turnover intent rates (Bakker, 2023; Mazzetti et al., 2023).

### **Work-Life Balance (WLB)**

Work-life balance refers to the extent to which individuals are able to manage the demands of work roles and non-occupational roles (family, personal, social) in a relatively harmonious manner without causing excessive conflict on one side (Greenhaus & Allen, 2011). Operationally, WLB reflects employees' perception that they have enough time, energy, and support to meet the demands of the job while maintaining commitment and quality of life outside of work (Kim & Wang, 2022; Zaitouni et al., 2024). In the banking sector (including BPR), the WLB issue is important because work patterns are often target-dense, related to compliance pressures and fast service to customers, and sometimes demand long working hours. When WLB is low, employees



are prone to experiencing emotional burnout, family work role conflicts, and decreased organizational loyalty (Kim & Park, 2022).

**Dimensions Work-Life Balance is:** Time balance (Time Balance) Perception that employees have enough time to meet the demands of the job while also meeting personal/family needs (Greenhaus & Allen, 2011). Energy pressure balance (Strain Balance) The degree to which psychological stress or fatigue from work does not "spill over" into the personal family domain, and vice versa. Employees feel they can recover emotionally outside of work hours (Greenhaus & Allen, 2011; Kim & Wang, 2022) Role satisfaction / role harmony. The feeling that work roles and personal roles do not contradict each other in terms of values or expectations; Employees rated their lives to be in a "balanced" condition and not "sacrificed for work" (Zaitouni et al., 2024). The WLB instrument is generally measured through self-report statements using the Likert scale. Higher WLB scores typically correlate with job satisfaction, psychological well-being, and intent to stay in the organization (Qadri et al., 2024).

### **Organizational Commitment**

Organizational commitment is the degree to which an employee is psychologically attached to his or her organization, including the extent to which the employee identifies with the organization's values, feels emotionally attached, and has a desire to continue to be a part of the organization (Meyer & Allen, 1991). This commitment is not just a matter of "staying because of need," but also "staying because you want to" and "staying because you feel it's morally right." (Mazzetti et al., 2023). In the context of banking, OC is often the differentiator between employees who survive the pressure of the target versus employees who are quick to look for other work alternatives. OC is also closely related to service quality and prosocial behavior of employees towards customers.

**Dimensions Organizational Commitment Three-component model (Meyer & Allen, 1991),** which is still widely used today and is considered relevant in financial services (Noesgaard, et al, 2024), including: Affective commitment, employees to the organization; Employees want to stay because they feel "liked" and "proud" to be part of the organization. Continuity of commitment the perception of a large cost or consequences if you leave the organization. This is the element of "fixed because it is necessary". Commitment regulations. A sense of moral obligation to stay; Employees feel "supposed" to stick around because of loyalty, gratitude, or the values of obligation. OC measurements are generally carried out using a scale (Meyer & Allen, 1991) which consists of three affective, continuous, and normative subscales, with attitude statement-based items ("I feel this organization means a lot to me", and so on). In this research model, OC is positioned not only as an output variable, but as a moderator variable. This means that the level of employee commitment to the organization is hypothesized to affect how strong Commitment and WLB can be translated into retention.

### **Employee Retention**

Employee retention refers to the ability of an organization to retain its employees to keep working within the expected period of time, especially employees who are considered to have critical performance and competencies (Presbyter, 2025). Practically, retention is often reflected through two key indicators: (1) an individual's intention to stay in the organization (intention to stay) and (2) a decreased tendency to seek alternative work (low turnover intention) (Presbyter, 2025). In quantitative research, retention is often measured indirectly through a scale of retention intent (e.g., "I plan to stay with this organization in the next 1–2 years") or vice versa, i.e. exit intent (turnover intention). The lower the exit intent, the higher the potential retention rate.



Retention Retention dimensions/indicators are usually understood not in the form of complex psychological subdimensions, but in the form of interrelated behavioral and affective indicators, namely: Intention to stay to the extent to which employees see their future still in the current organization. Stay commitment is the willingness to continue the work relationship because of value, comfort, or a sense of security. Affective loyalty tends to show positive support for the organization in the presence of external parties, which often goes hand in hand with the will to endure (Lo et al., 2024).

Theoretically, the JD-R model states that when employees have adequate resources (supervisor support, autonomy, feedback), they experience Commitment tall ones. Commitment This triggers a motivational process that increases attachment to work and organization, thereby lowering the desire to leave the organization ((Presbyter, 2025). Recent research in the context of service and financial work shows that employees who feel engaged and high-energy tend to have greater loyalty and a higher probability of retention (Lo et al., 2024). In other words, Commitment serves as a "psychological glue" that holds employees back from staying in the organization. Hypothesis implications: Employee engagement has a positive effect on Employee retention.

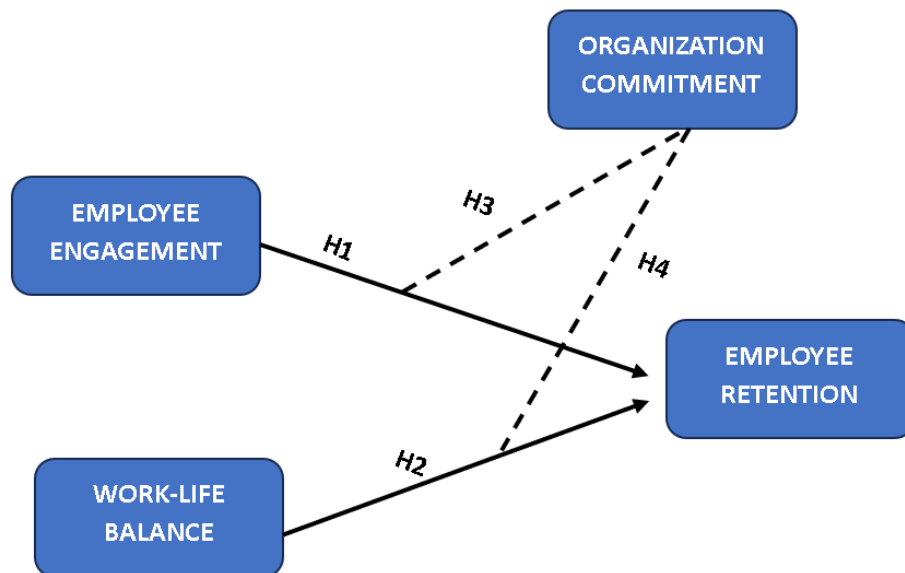
According to the COR framework, work-life imbalances lead to a decrease in personal resources (physical energy, positive emotions, time to recovery), which in turn increases stress, fatigue, and turnover intentions (Hobfoll, 1989; Kim & Wang, 2022). Conversely, when organizations facilitate role balance, employees feel valued as individuals, not just as "workers," thus increasing job satisfaction, affective commitment, and willingness to stick around (Presbyter, 2025). Studies in the services and public services sector have also found that a good WLB lowers family work conflict and ultimately increases retention (Presbyter, 2025). Hypothesis implications: Work-life balance has a positive effect on Employee retention.

Organizational commitment is seen as a psychological variable that strengthens the relationship between positive working conditions (Commitment, WLB) and behavioral outcomes such as retention. Based on Social Exchange Theory, when an organization provides resources (e.g., work-life balance support and a work environment that allows for engagement), employees interpret it as a form of organizational investment in them. The reciprocal response is loyalty and the will to endure (G. Blau, 1986). However, the magnitude of this response is not always the same for all employees. Employees with a high level of organizational commitment, especially affective commitment, are more likely to "translate" Commitment become the intention to survive because they feel their psychological connection with the organization is valuable and meaningful. Similarly, for highly committed employees, WLB's policies are not only seen as temporary facilities, but as evidence of the organization's concern, thus reinforcing a sense of moral obligation to stay (Noesgaard et al., 2024). In contrast, in employees with low commitments, Commitment and WLB may not be enough to prevent a new job search, as emotional ties to the organization are weak (Presbyter, 2025). Conceptually, this places OC as a moderator variable, not just a mediator or outcome. OC is thought to strengthen (moderate) the relationship between employee engagement and Employee retention, and between Work-life balance and Employee retention. In other words, the influence Commitment and WLB against defensive decisions will be stronger in employees who have high organizational commitment. Hypothesis implications: Organizational commitment Moderate Influence employee engagement against Employee retention, so that the relationship is stronger when organizational commitment is high. Organizational commitment Moderate Influence Work-life balance against Employee retention, so that the relationship is stronger when organizational commitment is high.



Based on the theoretical foundation and previous empirical findings, the hypotheses proposed are as follows:

- H1. Employee engagement has a positive effect on employee retention
- H2. Work-life balance has a positive effect on employee retention
- H3. Organizational commitment moderates the relationship between employee engagement and employee retention, where the relationship strengthens when organizational commitment is high
- H4. Organizational commitment moderates the relationship between work-life balance and employee retention, where the relationship is strengthened when organizational commitment is high



**Figure 1 Research Model**

## METHODS

This study uses an explanatory quantitative approach with a cross-sectional design, aiming to test the influence of employee engagement and Work-life balance against Employee retention, as well as the role of organizational commitment as a moderation variable. The research population is all employees of Bank Universal BPR Bintaro Branch, with a sample of 100 respondents selected through purposive sampling, namely active employees with a minimum working period of one year. Data were collected using a 1–5 Likert scale questionnaire, adapted from the Utrecht Work Engagement Scale (Noesgaard et al., 2024), Work-Life Balance Scale (Hayman, 2005), Organizational Commitment Scale (Meyer & Allen, 1991), and Employee Retention Scale ((Kyndt, et al, 2009).

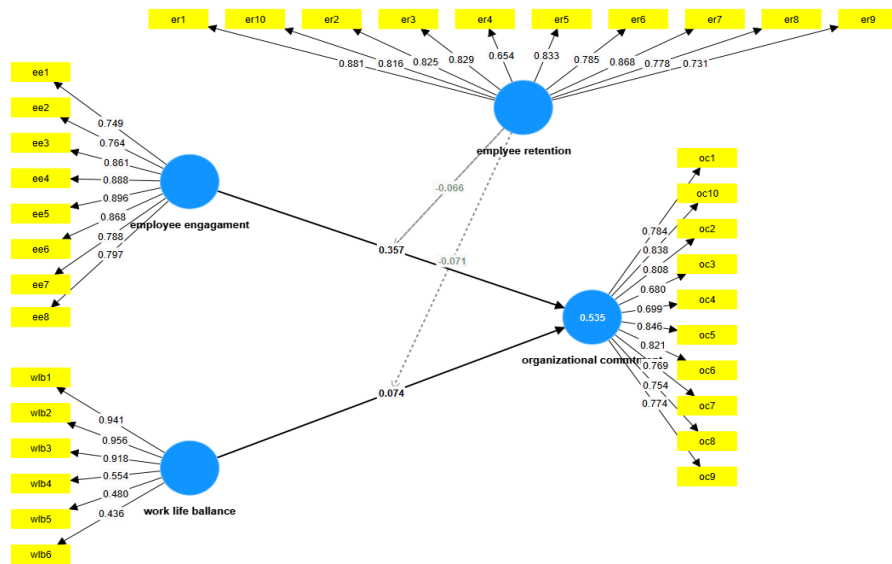
Data analysis was carried out using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS software. This approach was chosen because it was able to estimate the complex relationships between latent variables with moderate sample sizes (Hair, et al, 2021). Model evaluation is carried out through two stages, namely the measurement model test (Outer model) to assess the reliability and validity of the construct (loading  $\geq 0.7$ ; AVE  $\geq 0.5$ ; HTMT  $< 0.9$ ) as well as structural model tests (Inner model) to assess the strength of relationships between



variables ( $R^2$ ,  $f^2$ ,  $Q^2$ , and SRMR). Hypothesis testing was carried out through bootstrapping as many as 5,000 subsamples with a significance level of 5%, to determine the direct influence and moderation effect organizational commitment. To ensure the validity of the data, a test was carried out Expert Judgment and Pilot test before the main data collection. In addition, preventive procedures Common Method Bias Implemented by guaranteeing respondents' anonymity and randomizing the order of questionnaire items (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). The results of the analysis are expected to provide an empirical understanding of how work attachment and work-life balance affect employee retention, as well as how organizational commitment strengthens these relationships in the context of the local banking industry.

**RESULTS AND DISCUSSION**

Validity and reliability tests are carried out to ensure that each construct meets the measurement requirements in PLS-SEM (Hair, et al, 2021), can be explained from the results of the image as follows:



**Figure 2 Structural Model**

Source: Smart PIs analysis, 2025

Based on the results of the outer loading, all indicators have values above 0.70, except for some indicators in the Work–Life Balance construct (WLB4–WLB5 = 0.48–0.55) which can still be maintained because the Composite Reliability (CR) and Average Variance Extracted (AVE) still meet the threshold.

**Table 1. Construct Validity and Reliability Test Results**

Variable	Indicator	Outer Loading	CR	AVE	Remarks
Employee Engagement (EE)	EE1–EE8	0.749–0.896	0.93	0.68	Valid and reliable
Work–Life Balance (WLB)	WLB1–WLB6	0.436–0.956	0.88	0.59	Valid with minor revisions
Organizational Commitment (OC)	OC1–OC10	0.680–0.896	0.94	0.63	Valid and reliable



Employee Retention (ER)	ER1–ER10	0.654– 0.881	0.92	0.66	Valid and reliable
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Source: Smart Pls Analysis 2025

Based on Table 1, the results of the outer model test using SmartPLS 2025 show that in general all constructs in this study have met the validity and reliability criteria required in the PLS-SEM analysis. In the Employee Engagement (EE) construct measured through the EE1–EE8 indicator, the outer loading value is in the range of 0.749–0.896, which all of which exceed the minimum limit of 0.70. The Composite Reliability (CR) value of 0.93 and the Average Variance Extracted (AVE) of 0.68 have also met the recommended criteria (CR > 0.70 and AVE > 0.50). This shows that the Employee Engagement indicator has excellent internal consistency and is able to represent constructs strongly. Thus, the Employee Engagement construct is declared valid and reliable.

The Work–Life Balance (WLB) construct was measured using the WLB1–WLB6 indicator with an outer loading value that varied between 0.436–0.956. Although there are several indicators that have an outer loading value below 0.70, the CR value of 0.88 and AVE of 0.59 remain above the required threshold. This indicates that overall, the Work–Life Balance construct still has sufficient reliability and convergent validity. Therefore, the WLB construct is declared valid with minor revisions, especially considering further evaluation or elimination of indicators that have low loading in subsequent studies. Furthermore, the Organizational Commitment (OC) construct measured through the OC1–OC10 indicator shows an outer loading value in the range of 0.680–0.896. Although there are several indicators with loading values close to the minimum limit, a CR value of 0.94 and an AVE of 0.63 indicate an excellent level of reliability and validity. This confirms that the Organizational Commitment indicators are able to measure constructs consistently and accurately, so that these constructs are declared valid and reliable.

Construct Employee Retention (ER) was measured using the ER1–ER10 indicator with an outer loading value ranging from 0.654–0.881. All indicators in general have met the minimum criteria for validity, and are supported by a CR value of 0.92 and AVE of 0.66. These findings show that the Employee Retention construct has a high internal consistency and is able to explain construct variance well. Thus, the Employee Retention construct is declared valid and reliable. Overall, the results of the validity and reliability test show that all research constructs have met the measurement feasibility criteria. Although there are several indicators in the Work–Life Balance construct that require minor attention or revision, the measurement model is generally robust, consistent, and feasible for structural model analysis at a later stage.

**Table.2 Goodness of Fit Model**

Evaluation Aspects	Assessment Criteria	Model Results	Cut-off Value	Remarks
Cross-loading	Loading indicator on the original construct > another construct	Fulfilled	Highest loading on the original construct	Discriminant validity fulfilled
HTMT (Heterotrait–Monotrait Ratio)	HTMT < 0.90	< 0.90	< 0.90	Good discriminative validity



R-square ( $R^2$ )	Apparent power of endogenous variables	0.535 (ER)	0.25 = weak; 0.50 = moderate; 0.75 = strong	Moderate to strong clear power
Q-square ( $Q^2$ )	Predictive relevance (Blindfolding)	> 0	> 0	Has predictive relevance
SRMR (Standardized Root Mean Square Residual)	Model fit index	< 0.08	< 0.08	The model has a good fit
Model Eligibility	Overall evaluation	Meet	—	The model is worth structurally analyzing

Source: Smart Pls Analysis 2025

The table above explains that the HTMT value < 0.90 indicates that all constructs have good discriminant validity. Thus, the entire construct is declared suitable for use in structural analysis. The value of  $R^2 = 0.535$  in the Employee Retention (ER) construct shows that the combination of Employee Engagement, Work–Life Balance, and Organizational Commitment explains around 53.5% of the variation in employee retention at Bank Universal BPR Bintaro Branch. A  $Q^2$  value of > 0 (obtained through blindfolding) confirms the model has predictive relevance. The model fit index (SRMR) of < 0.08 also indicates that the model has a good fit.

**Table 3. Coefficient of determination**

	R-square	R-square adjusted
organizational commtment	0,535	0,510

Source: Smart Pls Analysis 2025

Based on Table 3, the R-square ( $R^2$ ) value for the organizational commitment variable is 0.535, while the R-square adjusted value is 0.510. The R-square value indicates the proportion of variation in the dependent variable that can be explained by all independent variables included in the research model. The value of  $R^2 = 0.535$  indicates that 53.5% of the variation in organizational commitment can be explained by independent variables in the model, namely employee engagement, employee retention, work-life balance, and the interaction of moderation variables used. Meanwhile, the remaining 46.5% were influenced by other factors outside the research model, such as leadership style, organizational culture, job satisfaction, organizational fairness, and individual employee factors that were not analyzed in this study. The R-square adjusted value of 0.510 indicates that after adjusting for the number of independent variables and sample size, the model's ability to explain organizational commitment variables remains at a strong and stable level. The relatively small difference between the R-square and R-square adjusted values indicates that the research model is not overfitting, and the variables used are relevant and effective in explaining the dependent variables.



Table 4. Hypothesis Test Results (Path Coefficient and Significance)

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics ( O/STDEV )	P values	Remarks
Employee Engagement -> Organizational Commitment	0,357	0,360	0,094	3,794	0,000	sig
Employee Retention -> Organizational Commitment	0,455	0,455	0,088	5,148	0,000	sig
Work Life Balance -> Organizational Commitment	0,074	0,073	0,091	0,810	0,418	Not sig
Employee Retention X Work Life Balance -> Organizational Commitment	-0,071	-0,061	0,083	0,859	0,390	Not sig
Employee Retention X Employee Engagement -> Organizational Commitment	-0,066	-0,064	0,055	1,200	0,230	Not sig

Source: Smart Pls Analysis 2025

From the table above, the results of data processing in the research can be explained in detail as follows:

- H1. The test results showed that the original sample value (O) was 0.357 with a t-statistic of 3.794 and a p-value of 0.000. A t-value greater than 1.96 and a p-value smaller than 0.05 indicate that  $H_0$  is rejected and  $H_1$  is accepted. This means that employee engagement has a positive and significant effect on organizational commitment. The higher the level of attachment an employee has to their work, the stronger their commitment to the organization. Engaged employees tend to show loyalty, a sense of belonging, and a desire to stay in the organization.
- H2. The results of the analysis showed an original sample value (O) of 0.455, with a t-statistic of 5.148 and a p-value of 0.000. This value meets the criteria of statistical significance, so  $H_0$  is rejected and  $H_1$  is accepted. Thus, employee retention has a positive and significant effect on organizational commitment. These findings indicate that organizational policies and practices in retaining employees are able to increase the level of employee commitment to the organization.
- H3. The original sample value (O) of 0.074 with a t-statistic of 0.810 and a p-value of 0.418 showed that the t-statistic value was below 1.96 and the p-value was greater than 0.05. Therefore,  $H_0$  is accepted and  $H_1$  is rejected. These results show that work-life balance does not have a significant effect on organizational commitment. Although work-life balance is important for employee well-being, in the context of this study the variables are not statistically strong enough to directly increase organizational commitment.
- H4. The interaction between employee retention and work life balance had an original sample value (O) of -0.071, with a t-statistic of 0.859 and a p-value of 0.390. Because it does not meet the significance criteria,  $H_0$  is accepted. This shows that work-life balance does not moderate the relationship between employee retention and organizational commitment. In other words, the



influence of employee retention on organizational commitment is neither strengthened nor weakened by the level of employee work-life balance.

H5. The results of the employee retention  $\times$  employee engagement interaction test showed an original sample (O) value of  $-0.066$ , with a t-statistic of  $1.200$  and a p-value of  $0.230$ . The value does not meet the significance criteria, so  $H_0$  is accepted. These findings indicate that employee engagement does not play a role as a moderation variable in the relationship between employee retention and organizational commitment.

The findings of this study provide a clear direction for the management of Bank Universal BPR Bintaro Branch in managing employee retention strategically and sustainably. The results show that organizational commitment has the strongest direct influence on employees' desire to stay afloat, so organizations need to place commitment building as a top priority in human resource policy. These efforts can be realized through planned career development, fair appreciation for performance, and open and inspirational leadership communication. These programs serve to foster a sense of pride and belonging to the organization, which ultimately increases loyalty and the desire to continue contributing to it. In addition, although employee engagement and Work-life balance do not show significant interaction with organizational commitments, both remain important as independent factors that contribute to job satisfaction and well-being. Therefore, management needs to continue to develop a work environment that encourages active employee engagement through meaningful work (meaningful work), a constructive feedback system, as well as support for a balance between the demands of work and personal life. By implementing an employee well-being-oriented approach, organizations can maintain high work motivation and reduce the risk of burnout or turnover, as suggested by Bakker and (Bakker & Demerouti, 2017).

Furthermore, the results of the study confirm the need for an integrative human resource management approach. Instead of placing commitment as a factor that strengthens engagement relationships and work balance, a more effective strategy is to make these three factors as complementary strategic components. In this framework, employee engagement plays a role as a driver of work motivation, work-life balance functions to maintain psychological well-being, and organizational commitment is the basis for long-term loyalty. All three form a solid and mutually supportive retention ecosystem, which is relevant for organizations like BPRs with relatively small work structures but demanding a high level of loyalty from each employee.

This research has its own novelty and uniqueness compared to previous studies in the field of human resource management, especially in the microbanking sector. First, this study focuses on the context of People's Credit Banks (BPR), which are structurally and culturally different from commercial banks. BPR has more personal organizational characteristics, with close working relationships and familial communication patterns. This context is rarely explored in the academic literature, so the results of the research make a new empirical contribution to how work engagement, life balance, and organizational commitment affect employee retention at local financial institutions (Triwijayati, et al, 2023). Second, the methodological uniqueness of this research lies in the placement of organizational commitment as a moderation variable in the relationship between employee engagement and Work Life Balance against Employee retention. Most previous research has placed organizational commitment as a mediating variable (Alzghoul & Khaddam, 2024; Hayman, 2005), while this study examines its role as a moderator in the context of local banking. Although the results show a modest moderation effect, these findings provide new insights that in organizations with high job stability such as BPR, commitment functions more as a direct determinant factor than as a reinforcing of relationships between psychological variables. Third, this study uses Partial Least Squares Structural Equation Modeling method (PLS-



SEM) with a device SmartPLS, which provides analytical power to predictive models with a relatively moderate sample count. This approach is rarely applied in employee retention research in the BPR sector, thereby strengthening the validity of the model and adding methodological value to the MSDM literature based on a predictive structural approach (Hair et al., 2021). The results show that the application of the PLS-SEM method is able to provide a more comprehensive picture of the relationships between latent variables and their contribution to retention strategies in microfinance organizations.

## **CONCLUSION**

Theoretically, the results of this study expand the understanding of the relationship between employee engagement, work-life balance, organizational commitment, and employee retention in the context of microfinance institutions. The findings that organizational commitment has a direct influence but does not play a role as a moderation variable provide a new conceptual contribution to the development of organizational behavior theory and human resource management. This confirms that in organizations with a stable structure and personal working relationships such as BPR, organizational commitment is more appropriately positioned as the main predictor of employee loyalty than as a variable that strengthens relationships between psychological dimensions. Thus, this study enriches the literature that previously placed a lot of organizational commitments as mediators in the retention model in the context of local Indonesian organizations.

From a practical perspective, the results of this study recommend that the management of Bank Universal BPR Bintaro Branch implement a holistic and sustainable retention strategy. Career development programs, performance-based reward systems, and trust-building leadership communication need to be strengthened in order to foster affective commitment and pride in the organization. On the other hand, increasing employee engagement can be done through providing meaning in work, learning opportunities, and open feedback mechanisms. In addition, policies that support work-life balance such as flexibility in working hours and employee social activities can help improve well-being and loyalty indirectly. For future research, it is recommended that researchers expand the variables tested, for example by adding the factors of job satisfaction, psychological capital, or organizational culture as mediation or control variables, as well as expanding the research location to various other BPR branches so that the results are more generalizable and comprehensive.

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