

## THE EFFECT OF WORK LIFE BALANCE, COMPENSATION AND WORK ENVIRONMENT ON EMPLOYEE LOYALTY AT TELKOM SCHOOLS REGIONAL MEDAN

**Yonathan Natanael Waruwu**

Fakultas Ekonomi, Universitas Prima Indonesia  
Email: ynatanaelwaruwu@gmail.com

**Tri Bobi Boni Pasius Sianipar**

Fakultas Ekonomi, Universitas Prima Indonesia  
Email: bobibonipasius@gmail.com

**Roy Dedi Ansarika**

PUI Human Resource Management Research and Innovation Center  
Fakultas Ekonomi, Universitas Prima Indonesia  
Email: roydediansarikaginting@unprimdn.ac.id

**Tika Arizona Febriani**

Politeknik Negeri Padang  
Email: tikaarizona13@gmail.com

### *Abstract*

*This study aims to examine the effect of work-life balance, compensation, and work environment on employee loyalty at Telkom Schools Regional Medan. Employee loyalty is a crucial factor for organizational sustainability, particularly in the context of modern human resource management. This research employs a quantitative approach with a causal associative design. The population consisted of all 85 employees of Telkom Schools Regional Medan, and a saturated sampling technique was applied so that the entire population served as the research sample. Data were collected through a structured questionnaire using a five-point Likert scale and analyzed using multiple linear regression with SPSS. The results show that work-life balance, compensation, and work environment simultaneously have a positive and significant effect on employee loyalty. Partially, each independent variable also demonstrates a positive and significant influence on employee loyalty. The coefficient of determination indicates that 64.2% of employee loyalty is explained by the three independent variables, while the remaining 35.8% is influenced by other factors outside the model. These findings highlight the importance of implementing balanced work-life policies, fair compensation systems, and a supportive work environment to strengthen employee loyalty.*

**Keywords:** *Work-Life Balance, Compensation, Work Environment, Employee Loyalty*

### **Abstrak**

Penelitian ini bertujuan untuk menguji pengaruh keseimbangan kerja-hidup, kompensasi, dan lingkungan kerja terhadap loyalitas karyawan di Telkom Schools Regional Medan. Loyalitas karyawan merupakan faktor penting bagi keberlanjutan organisasi, khususnya dalam konteks manajemen sumber daya manusia modern. Penelitian ini menggunakan pendekatan kuantitatif dengan desain kausal asosiatif. Populasi terdiri dari seluruh 85 karyawan Telkom Schools

Regional Medan, dan teknik sampling jenuh diterapkan sehingga seluruh populasi menjadi sampel penelitian. Data dikumpulkan melalui kuesioner terstruktur menggunakan skala Likert lima poin dan dianalisis menggunakan regresi linier berganda dengan SPSS. Hasil penelitian menunjukkan bahwa keseimbangan kerja-hidup, kompensasi, dan lingkungan kerja secara simultan memiliki pengaruh positif dan signifikan terhadap loyalitas karyawan. Secara parsial, setiap variabel independen juga menunjukkan pengaruh positif dan signifikan terhadap loyalitas karyawan. Koefisien determinasi menunjukkan bahwa 64,2% loyalitas karyawan dijelaskan oleh ketiga variabel independen tersebut, sedangkan sisanya 35,8% dipengaruhi oleh faktor lain di luar model. Temuan ini menyoroti pentingnya penerapan kebijakan keseimbangan kerja-hidup, sistem kompensasi yang adil, dan lingkungan kerja yang mendukung untuk memperkuat loyalitas karyawan.

**Kata kunci:** *Keseimbangan Kehidupan Kerja, Kompensasi, Lingkungan Kerja, Loyalitas Karyawan*

## INTRODUCTION

Human resources (HR) are a crucial asset for companies in conducting operational activities and achieving organisational strategic goals because HR directly contributes to the effectiveness of business processes, innovation, and company performance productivity. Strategically designed human resource management (Strategic Human Resource Management) plays a role in selecting, developing, and retaining the right talent, thereby enhancing organisational competitiveness and performance in a competitive business environment (Pramesworo & Harahap, 2024)

In the current global workforce context, millennials dominate the working population and are expected to become even more dominant by 2030. This generation is known for its creative, flexible, and collaborative characteristics, as well as its emphasis on professional development and meaningful work, which differs from previous generations. A recent global survey indicates that millennials and Gen Z are increasingly prioritising meaningful work, work-life balance, and learning and growth opportunities, which impacts their perception of company loyalty. (2025-Genz-Millennial-Survey.Pdf, n.d.)

Several reports and empirical studies indicate that the loyalty level of millennials towards organisations is relatively low, as reflected in their tendency to change jobs in the short term if their job needs are not met. For example, a Deloitte Global survey of Gen Z and millennials in dozens of countries showed that many respondents are willing to leave their current roles within a few years if the work doesn't meet their expectations

regarding meaning, well-being, and career growth opportunities. (*2025-Genz-Millennial-Survey.Pdf*, n.d.). The phenomenon of turnover intention, or the desire to change jobs, is also a focus of research in the context of millennial human resources. Recent quantitative research indicates that variables such as organisational support, job satisfaction, and quality of work life significantly influence turnover intention among millennials and other young generations. (Susanti, 2023)

Therefore, companies need to design HR management strategies that are adaptable to the characteristics of the millennial generation, such as professional development programs, enhancing meaningful work experiences, and effective work-life balance policies to increase employee engagement and retention. This approach not only contributes to work productivity but also supports the development of sustainable working relationships between employees (Susanti, 2023)

Employee loyalty can be understood as a form of psychological attachment characterised by a sense of responsibility, trust, and affective commitment to demonstrate positive behaviour and support the organization's sustainability. (Rizana et al., 2020). High employee loyalty reflects the company's success in effectively and sustainably managing human resources, making loyalty a crucial element in achieving organisational goals (Razak & Waluyo, 2022). The higher the employee loyalty within an organisation, the greater the organization's chances of achieving its targets and maintaining its competitive advantage (Azrin, Prayekti, 2024)

Employee loyalty is also significantly influenced by work-life balance, which is the equilibrium between job demands and personal life, and is now an important factor in the career development of modern workers (Wandi, 2019). The imbalance between work roles and personal roles has the potential to cause work stress and reduce employee commitment to the organisation. Work-life balance emphasises creating healthy and supportive working conditions, enabling employees to harmoniously fulfil their professional and personal responsibilities, ultimately increasing job loyalty and productivity. Therefore, companies need to realise that employees are not only facing job demands, but also have social and family responsibilities outside of the work environment.

Additionally, compensation is an important factor that plays a role in increasing employee loyalty. Compensation encompasses all forms of rewards, both financial and non-financial, provided in exchange for employees' contributions to the company (Susanti, 2023). Competitive and fair compensation has been proven to increase job satisfaction, performance, and employee loyalty to the organisation (Armstrong). Conversely, inadequate compensation can potentially decrease work motivation and weaken employee loyalty. When employees are satisfied with the compensation they receive, they tend to show long-term commitment and make positive contributions to the company (Suwarga et al., 2024)

The work environment is also an important determinant in shaping employee loyalty. A safe, comfortable work environment supported by adequate facilities can increase work morale and encourage employees to complete tasks optimally and on time (Juchnowicz & Kinowska, 2026). A work environment that meets employee expectations not only increases productivity but also fosters a sense of comfort and emotional attachment to the organisation, ultimately strengthening employee loyalty to the company they work for (Jonathan et al., 2023).

Several studies indicate that work-life balance has a positive and significant impact on employee loyalty because it can reduce work-family role conflict and increase employees' emotional attachment to the organisation (Tiaro et al., 2025). However, some other studies have found that work-life balance only has an indirect effect on loyalty, mediated by variables such as job satisfaction or organisational commitment (Mayrenanda et al., 2024). This difference in results indicates an inconsistency in empirical findings, necessitating further research to re-examine the direct influence of work-life balance on employee loyalty, particularly within different organisational and work culture contexts.

Previous research conducted by (Putri et al., 2024) states that fair and competitive compensation significantly influences employee loyalty because it increases job satisfaction and motivation (Rahmayani et al., 2025). However, some recent studies show that financial compensation is not always the dominant factor in shaping loyalty, especially among younger generations of workers who prioritise work flexibility and a

supportive work environment (Saputra, 2022). This difference in perspective indicates a research gap regarding the strength of compensation's influence on employee loyalty, necessitating empirical studies to examine the extent to which compensation remains relevant in enhancing loyalty in the modern work era.

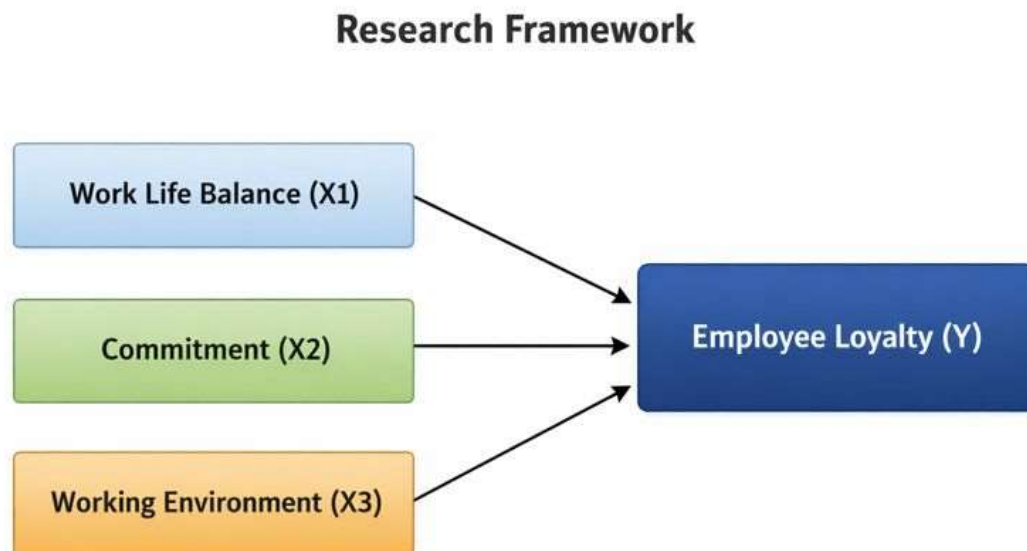
Most previous studies have examined the influence of the work environment on employee loyalty partially and separately from other human resource variables (Wandi, 2019). In fact, employee loyalty is the result of the interaction of various factors, such as work-life balance and compensation (Sapitri, 2022). The limited research examining the simultaneous influence of the work environment, work-life balance, and compensation on employee loyalty indicates a significant research gap that is important to investigate, especially to gain a more comprehensive understanding of the factors determining employee loyalty.

## **RESEARCH METHODS**

This research uses a quantitative approach with a causal associative research design, which aims to determine the empirical influence of independent variables on dependent variables through hypothesis testing (Sugiyono, 2022). The quantitative approach was chosen because it allows researchers to objectively measure the relationships between variables using statistical analysis (Creswell, 2018). This research uses a cross-sectional design, meaning data collection is done at a specific point in time to describe work-life balance, compensation, work environment, and employee loyalty at Telkom Schools Regional Medan (Sekaran & Bougie, 2017).

This study consisted two variables, namely dependent and independent variables. Work life balance, commitment and working enviromnent became the independnt variables while employees comintment became the dependent variable. The research framework which contains the relationship between the dependent variable and the independent variable in this study is presented in Figure 1.

Figure 1. Research Framwork



The population in this study consists of all employees of Telkom Schools Regional Medan. The population is the entire group of research subjects that have specific characteristics and are relevant to the research objectives (Sugiyono, 2022) as cited by (Ma'ruf, 2021). The sampling technique used is saturated sampling (census), which is a sampling technique that involves all members of the population as the research sample. This technique is used because the population size is relatively limited, allowing all members of the population to be included as respondents (Sugiyono, 2022) as cited by (Ma'ruf, 2021). In this study, the research population consisted of 85 employees.

The research instrument used in this study was a closed questionnaire compiled based on the indicators of each research variable. The questionnaire was used to obtain primary data in the form of respondents' perceptions of the variables being studied (Sekaran & Bougie, 2017). The measurement of respondent answers was conducted using a five-point Likert scale, which is commonly used to measure individuals' attitudes, opinions, and perceptions towards a research object (Joshi et al., 2015). The research variable indicators include Work Life Balance, which encompasses time balance, role balance, and satisfaction balance compensation, consisting of financial and non-financial

compensation, the work environment, including the physical and non-physical work environment; and employee loyalty, which encompasses affective commitment, loyalty, and the desire to remain with the organisation

Data collection in this study was conducted through primary and secondary data. Primary data was obtained by distributing questionnaires to Telkom Schools Regional Medan employees, while secondary data was obtained from company documents, textbooks, and scientific journals relevant to the research. Data collection procedures include the stages of research instrument development, questionnaire distribution to respondents, collection of completed questionnaires, and data processing for statistical analysis.

The data analysis method used in this study is statistical analysis with the assistance of the SPSS (Statistical Product and Service Solutions) program. Before further analysis is conducted, the research instrument is tested through validity and reliability tests. The validity test is performed to determine the accuracy level of the instrument in measuring research variables using the Pearson Product Moment correlation, where an item is considered valid if the calculated  $r$ -value is greater than the table  $r$ -value at a significance level of 0.05. Subsequently, the reliability test is conducted to determine the consistency of the research instrument's measurement results using Cronbach's Alpha coefficient, with the condition that the research instrument is considered reliable if the Alpha value is greater than 0.70.

## **RESULT AND DISCUSSION**

### **Result and Discussion**

After the data were collected then the researchers analyzed the data as shown follows:

a. Multiple correlation coefficient

Multiple correlation coefficient analysis was conducted to determine the strength of the relationship between the independent variables Work Life Balance (X1), Compensation (X2), and Working Environment (X3) simultaneously or together with the dependent variable Employee Loyalty (Y).

Table 1 Results of Multiple Correlation Coefficient Analysis Test

Model Summary <sup>b</sup>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.835 <sup>a</sup>	.581	.642	2.143
a. Predictors: (Constant), Work Life Balance, Compensation, Working Environment Dependent Variable: employee loyalty				

Source: SPSS analysis

Based on the analysis in the table above, it can be seen that the correlation coefficient between Work Life Balance (X1), Working Environment (X2), and Compensation (X3) towards Employee Loyalty (Y) is 0.835, and the Sig. F Change value is  $0.000 < 0.05$ , which means there is a positive or direct relationship and a strong correlation between Work Life Balance (X1), Compensation (X2) and Working Environment (X3), and towards Employee Loyalty (Y).

b. Multiple Linear Regression Analysis Multiple linear regression analysis

Multiple Linear Regression Analysis Multiple linear regression analysis was conducted to determine the influence of the variables Work Life Balance (X1), Compensation (X2), and Work Environment (X3) on Employee Loyalty (Y), both individually and collectively.

**Tabel 2**  
**Results of Multiple Linear Regression Analysis Test**

Coefficients <sup>a</sup>			
Model	Unstandardized Coefficients		Standardize d Coefficients
	B	Std. Error	Beta
1 (Constant)	.426	2.914	
Work Life Balance	.157	.075	.219

Compensation	.482	.100	.484
Working environment	.156	.076	.200
a. Dependent Variable: Employee Loyalty (Y)			

Source: Data was analyzed by using SPSS

Based on the calculation results in the table above, the regression equation obtained from the analysis is:

1. The constant value is positive, at 0.426, indicating a positive relationship between the independent and dependent variables. If the independent variables of work-life balance, work environment, and compensation are zero percent or do not change, then employee loyalty is 0.426.
2. The regression coefficient for the work-life balance variable (X1) is positive, at 0.157. This indicates that if work-life balance increases by 1%, employee loyalty will increase by 0.157, assuming other independent variables remain constant. The positive sign indicates a positive relationship between work-life balance and employee loyalty.
3. The regression coefficient for the compensation variable (X2) is positive, at 0.156. This indicates that if compensation increases by 1%, employee loyalty will increase by 0.156, assuming other independent variables remain constant. The positive sign indicates a positive relationship between the compensation variable and employee loyalty.
4. The regression coefficient for the work environment variable (X3) is positive, at 0.482. This indicates that if the work environment increases by 1%, employee loyalty will increase by 0.482, assuming other independent variables remain constant. The positive sign indicates a positive relationship between the work environment variable and employee loyalty.

c. Analysis of the Coefficient of Determination

The coefficient of determination is used to determine the extent to which the independent variables contribute to the dependent variable. In this study, the coefficient of determination is calculated by looking at the adjusted R-squared value.

**Tabel 3**  
**Results of the Determination Coefficient Analysis Test**

<b>Model Summary<sup>b</sup></b>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.835 <sup>a</sup>	.581	.642	2.143
d. Predictors: (Constant), Work Life Balance, Compensation, Working Environment				
Dependent Variable: employee loyalty				

Table 1 Results of Multiple Correlation Coefficient Analysis Test

Source: SPSS analysis

From the calculations above, we can obtain an Adjusted R-squared value of 0.642. This indicates that the percentage of independent variables can contribute to the dependent variable by 64.2%. The remaining 35.8% is explained by other variables not included in this study.

e. T-test (Partial Significance)

The t-test is conducted to determine the extent to which the variables Work-Life Balance (X1), Compensation (X2) and Working Environment (X3), and individually or partially influence the Employee Loyalty variable (Y). Based on  $85 - 3 = 82$  degrees of freedom and a significance level of  $0.05 / 2 = 0.025$ , the t-table value is 1.989.

**Tabel 4 T Test Result**

Coefficients <sup>a</sup>		
Model	t	Sig.
1 (Constant)	.192	.849
Work Life Balance	2.138	.033
Compensation	5.529	.000
Working Environment	2.117	.036
a. Dependent Variable: employee loyalty		

Source: Data was processed by SPSS versi 25

Based on the results of the t-test above, it can be concluded that:

1. It is known that the Work Life Balance variable has a calculated t-value  $>$  t-table, which is  $2.138 > 1.989$  with a significance probability level of  $0.033 < 0.50$ , so it can be concluded that  $H_0$  is rejected and  $H_a$  is accepted. This indicates that Work-Life Balance has a positive and significant influence on Employee Loyalty.
2. It is known that the Compensation variable has a t-statistic value  $>$  t-table, which is  $2.117 > 1.989$  with a significance probability level of  $0.036 < 0.50$ , so it can be concluded that  $H_0$  is rejected and  $H_a$  is accepted. This indicates that Compensation has a positive and significant influence on Employee Loyalty.
3. It is known that the Work Environment variable has a t-statistic value  $>$  t-table, which is  $5.529 > 1.989$  with a significance probability level of  $0.000 < 0.50$ , so it can be concluded that  $H_0$  is rejected and  $H_a$  is accepted. This indicates that the Work Environment has a positive and significant influence on Employee Loyalty.

d. F-test (Simultaneous Significance Test)

The F-test is employed to examine whether the independent variables jointly exert a significant influence on the dependent variable. The analysis is conducted at a significance level of 0.05. The degrees of freedom are  $df_1 = n - 1 = 4 - 1 = 3$  and  $df_2 = n - k - 1 = 85 - 3 - 1 = 81$ , yielding an F-table value of 2.72.

**Tabel 5**  
**F Test Result**

ANOVA <sup>a</sup>					
Model	Sum of Square	df	Mean Squar e	F	Sig.
1 Regressi on	582.28 3	3	194.0 94	37.4 85	.00 0 <sup>b</sup>
Residual	419.41 2	8 1	5.178		
Total	1001.6 94	8 4			

a. Dependent Variable: Employee Loyalty  
b. Predictors: (Constant):Work Life Balance, commitment, working environment

Based on the F-test results in the table above, it can be seen that the calculated F-value is 37.485 with a probability value (Sig.) of 0.000. Therefore, it can be concluded that the calculated F-value (37.485) > F-table (2.72) and the probability value (Sig.) is 0.000 < 0.05, so Ho rejected and Ha accepted. This means it shows that the multiple regression model is suitable for use and the variables Work Life Balance (X1), Compensation (X2) and Working Environment (X2), have a positive and significant simultaneous effect on the Employee Loyalty variable (Y).

## CONCLUSION

This study aims to examine the effect of work-life balance, compensation, and work environment on employee loyalty at Telkom Schools Regional Medan. Based on the results of statistical analysis and hypothesis testing, it can be concluded that work-life balance, compensation, and work environment have a positive and significant effect on employee loyalty, both partially and simultaneously.

The findings indicate that employees who experience a better balance between their work and personal life tend to demonstrate higher levels of loyalty toward the

organisation. Adequate and fair compensation also plays a crucial role in strengthening employees' emotional attachment and commitment, while a supportive and conducive work environment contributes significantly to enhancing comfort, motivation, and long-term organisational loyalty.

Simultaneously, the three independent variables collectively provide a substantial contribution to employee loyalty, highlighting the importance of integrated human resource management strategies. Therefore, organisations, particularly educational institutions such as Telkom Schools Regional Medan, are encouraged to continuously improve policies related to work-life balance, compensation systems, and the creation of a healthy and supportive work environment in order to maintain and enhance employee loyalty.

Future research is recommended to include additional variables, such as job satisfaction, organisational commitment, and leadership style, as well as to apply longitudinal research designs to obtain a deeper understanding of the dynamics of employee loyalty over time.

## REFERENCES

- 2025-genz-millennial-survey.pdf. (n.d.).
- Azrin, Prayekti, E. S. U. (2024). *Pengaruh budaya organisasi, gaya kepemimpinan demokratis, dan kepuasan kerja terhadap loyalitas karyawan (studi di pt. astra isuzu yogyakarta)*. 4(1), 20–28.
- Jonathan, D., Erti, Y., & Dewi, P. (2023). *Work From Home : The Influence of Work Motivation and Work Environment on Employee Work Spirit*. 7(1), 50–60.
- Joshi, A., Kale, S., Chandel, S., & Pal, D. K. (2015). *Likert Scale : Explored and Explained*. 7(4), 396–403. <https://doi.org/10.9734/BJAST/2015/14975>
- Juchnowicz, M., & Kinowska, H. (2026). *The importance of emotions in contemporary human resource management*. 32(3), 408–420. <https://doi.org/10.1108/CEMJ-05-2023-0202>
- Ma'ruf, R. (2021). *Pengaruh Kompensasi dan Work Life Balance Terhadap Loyalitas Karyawan*. 9(1), 110–120. <https://doi.org/10.30872/psikoborneo>
- Mayrenanda, R., Afrinianto, A., Ambarwati, T., & Novianti, K. R. (2024). *Effect of Work Life Balance and Job Satisfaction on Organizational Commitment at PT Jatim Auto Comp Indonesia ( JAI )*. 04(01). <https://doi.org/10.22219/jamanika.v4i01.32528>

- Pramesworo, I. S., & Harahap, I. (2024). *Human Resource Selection and Marketing as a Strategic Role of Human Resource Management in the Enterprise*. 12(6), 141–150. <https://doi.org/10.37641/jimkes.v13i1.3062>
- Putri, L. Y., Kusmiran, E., & Respati, T. (2024). *Pengaruh Organizational Citizenship Behavior dan Work Life Balance terhadap Loyalitas Kerja di UPTD Puskesmas Pangkalan Kabupaten Cirebon The Influence of Organizational Citizenship Behavior and Work Life Balance on Work Loyalty at UPTD Puskesmas Pangkalan Cirebon District*. 6(1), 65–70.
- Rahmayani, P., Hinggo, H. T., Manajemen, J., Muhammadiyah, U., & Kerja, L. (2025). *Pengaruh Work Life Balance , Lingkungan Kerja , Dan Kompensasi Terhadap Loyalitas Karyawan Di*. 5(1), 978–988.
- Razak, M., & Waluyo, H. S. (2022). *Pengaruh Kepuasan Kerja , Komitmen Organisasi dan Pengembangan Karir Terhadap Loyalitas Kerja Pegawai Dinas Pengendalian Penduduk dan Keluarga Berencana Kabupaten Pangkep*. 11(3), 246–254.
- Rizana, D., Putra, S., & Kebumen, B. (2020). *Jurnal E-Bis ( Ekonomi-Bisnis ) Pengaruh Kompensasi dan Pemberdayaan Terhadap Loyalitas Dengan*. 4(2), 179–191.
- Sapitri, D. (2022). *Efek Moderasi Budaya Organisasi Untuk Peningkatan Kinerja Karyawan*. 6(2), 252–262.
- Saputra, A. A. (2022). *Pengaruh Kompensasi , Lingkungan Kerja Dan Beban Kerja Terhadap Kepuasan Kerja Karyawan*. 7(1), 68–77.
- Susanti. (2023). *Pengaruh Kompensasi dan Kepuasan Kerja Terhadap Loyalitas Guru di Madrasah Ibtidaiyah Swasta Se Kecamatan Pacet Mojokerto Susanti Email : santi232002itnas@gmail.com Abstrak Sumber daya manusia merupakan aspek yang sangat penting dalam sebuah organisasi , . 02(05), 1–9.*
- Suwarga, G., Rahman, T., & Bintarti, S. (2024). *The Influence of Education and Training and Compensation on Teacher Performance Mediated by Loyalty*. 10, 286–295. <https://doi.org/10.29303/jppipa.v10iSpecialIssue.8520>
- Tiarto, A. G., Widhiandono, H., & Nurul, M. (2025). *The Effect of Work-Life Balance and Work Environment on Organizational Commitment with Job Satisfaction as a Mediator at Ananda Purwokerto Hospital*. 4(3), 907–924.
- Wandi, D. (2019). 3,920 > t. 2(1), 61–72.