

The Effect of Facilitating Work-Life Balance on Employee Retention: A Case Study in CV Shalom

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ARTICLE INFO	ABSTRACT
Article History	Purpose: Work-life balance has emerged as a critical factor influencing employee retention in modern organizations. A growing body of research demonstrates the profound impact that a successful balance between work responsibilities and personal life has on employee well-being, job satisfaction, and ultimately organizational commitment. The aim of this research is to examine the specific effects of work-life balance facilitation on employee retention to provide actionable insights and evidence-based recommendations to organizations seeking to enhance their retention strategies.
Received 23 May 2024 Accepted 17 July 2024	Design/methodology/approach: A case study methodology was used in this research. Primary data was collected through an online survey. The data was quantitatively analyzed using Statistical Package for Social Sciences (SPSS) to determine the relationships between the independent variables (work-life balance initiatives) and dependent variable (employee retention).
JEL Classifications M12	Findings: The study revealed a high retention rate with many employees remaining loyal to the company for over 30 years. The retention was closely linked to the company's comprehensive work-life balance initiatives, including financial aid through savings and loan cooperatives, subsidized health insurance, and educational support. These programs correlated with higher levels of employee satisfaction and engagement. Employees who actively utilized these offerings reported lower stress level, less work pressure, and improved overall well-being.
	Research limitations/implications: This study focused on data from respondents in an Indonesian company. Further research in different international locations is needed to generalize these findings globally. The results suggests that companies, particularly in Indonesia, that prioritize work-family balance are better able to improve employee retention. This approach can decrease company turnover through lower recruitment costs and higher productivity.
	Originality/value: This study advances the understanding of employee retention by examining three specific factors in a developing economy context: financial support through savings and loan cooperatives, subsidized health insurance, and educational support. The findings contribute to existing theory by highlighting the relative impact of these targeted interventions on employee retention.

Keywords:

Employee motivation,
employee performance,
financial incentives,
Indonesia.

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1. Introduction

Employees are a company's most important, valuable and productive asset, which makes retaining them one of the most challenging tasks for managers. Given the significant costs associated with replacing key employees, it is imperative to develop a comprehensive employee retention strategy to address these issues. Implementing work-life balance practices can attract people to an organization, and their application can lead to enhanced employee attitudes and behaviours within the company (Beauregard & Henry, 2009).

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The nature of work is evolving, both in terms performed and in the organization of activities. The technological revolution has not only changed the nature of many jobs but also the way in which work is conducted. The global migration of populations to urban areas, the increasing number of women in the workforce and the rise of a 24/7 culture have disrupted the traditional work-life balance and social support mechanisms (Litchfield et al, 2016). Employees are facing numerous issues such as work-life imbalance, rising stress, and performance related concerns, necessitating sustainable Human Resources Management (HRM) to gain a competitive advantage and improve employer branding by addressing these challenges (Singh, 2019). If work-life balance elements are not addressed through well-developed practices and genuine managerial interest in employees' personal and family lives, staff turnover will exceed acceptable levels, especially among talented employees with other career options. It is important that organizations implement workplace policies that are strongly supported by staff to improve employee retention. Because employee needs vary from across organizations, each company must work with its employees to determine the most effective policies (Deery & Jago, 2015).

Recent research has examined the correlation between work-life balance factors and employee performance and job satisfaction. While earlier studies focused on teachers, police officers, and nurses, sectors like manufacturing and banking, etc. have only recently garnered attention (Noordin et al, 2023). Employee retention is a significant challenge in the manufacturing sector, where dissatisfaction with job nature, working conditions, pay and facilities often lead to turnover (Satpathy et al, 2019). Employees in the manufacturing sector experience work related stress at all levels due to high workloads and the pursuit of excellence (Noordin et al, 2023). Managing employees' work-family pressures without negatively impacting their contributions and performance continues to be a challenge for HR managers in manufacturing. Efforts to address this challenge have resulted in various work-life balance strategies but their effectiveness in managing work-family stressors and performance remains questionable (Ganiyu et al, 2017).

The aim of this research is to investigate the effect of facilitating work-life balance on employee retention in a manufacturing company (CV Shalom), by examining work-life balance facilities provided and their effect on employee retention. Specifically, this study aims to answer the following research questions:

RQ1: What is the effect of facilitating work-life balance on employee retention in CV Shalom?

RQ2: How significantly do work-life balance facilitation measures (i.e., financial aid, health insurance, educational support) affect employee retention in CV Shalom?

2. Theoretical background and hypotheses development

2.1 Employee Retention

Employee retention refers to strategies that aim to encourage employees to remain within an organization for an extended period. The goal is to improve retention and reduce turnover as losing critical employees can have significant economic repercussions, primarily due to the loss of knowledge essential to meet the customer needs and expectations (Ramlall, 2004). Effective employee retention contributes to departmental and company profits (Hinkin & Tracey, 2000). Enhanced customer service, reduced hiring costs, and heightened productivity are just a few of the ways that employee retention can increase an organization's revenue (Hinkin & Tracey, 2000). However, statistics show that one-third of new employees leave the organization after six months (Beckman, 2024), even though the total cost of turnover for an exempt employee equals at least one year's salary and benefits, possibly rising to two years' salary and benefits (Ramlall, 2003).

Several factors can improve employee retention: (i) competitive compensation and appreciation for work performed, (ii) challenging work opportunities, (iii) chances for promotion and learning, (iv) a welcoming organizational atmosphere, (v) positive relations with colleagues, (vi) a healthy work-life balance, and (viii) effective communication (Das & Baruah, 2013).

According to Ampofo and Karatepe (2022), there are three key dimensions of employee retention:

- **Organizational Commitment:** This reflects an employee's attachment to the organization. Indicators include a willingness to take initiative, loyalty to the organization, and delivering high quality work. Increasing organizational commitment is crucial for employee retention.
- **Work Engagement:** This involves a positive, energetic state combined with high dedication and focus on work. Indicators include responsibility for work and reliability in performing tasks. Enhancing work engagement is vital for retention.
- **Employee Turnover Intention:** This is the tendency of employees to leave the organization within a specific time frame. Indicators include dissatisfaction with organizational policies and management. Reducing turnover intention is crucial for employee retention.

2.2 Facilitating Work-Life Balance

The outcomes of work-life balance are manifold. They include personal satisfaction and well-being at work, at home and in life overall, as well as more objective indicators of behavior and performance in both domains. They also impact others including work colleagues, family and friends (Guest, 2002). Despite the widespread use of the term work-life balance, a consensus definition remains elusive. It is difficult to capture the full meaning of work-life balance with a

simple measure. The recognition that work-life balance levels fluctuate over time and is influenced by the significance of certain life events, highlights the continuous adjustment to the multiple demands that employees manage throughout their careers. Therefore, work-life balance can be defined as *“the individual perception that work and non-work activities are compatible and promote growth in accordance with an individual’s current life priorities”* (Kalliath & Brough, 2008). Achieving a satisfactory work-life balance depends on individual perceptions rather than a predetermined notion of what constitutes “balance”. Practitioners and researchers should consider recent developments in life contexts, work arrangements and employment relationships when addressing work-life balance (Kelliher et al, 2017). Work-life balance reflects an individual’s orientation to different life roles that require approximately equal amounts of time, attention, involvement, or commitment to each role.

Greenhaus et al (2003) identify three components of work-life balance:

- Time Balance: equal time spent on work and family.
- Involvement Balance: equal psychological commitment to work and family.
- Satisfaction Balance: equal satisfaction with work and family roles.

The interaction between an employee’s personal and professional life is often unavoidable, but family and workplace support can significantly impact this balance. A 2016 survey of US employees found that while more than half of respondents strive for work-life balance—only 34% feel they have achieved it (PwC, 2016).

A family oriented and supportive work environment promotes work-life balance through shared professional and personal goals (Mazerolle & Goodman, 2013).

There is a reciprocal relationship between work-life balance and work engagement. By strategically and proactively implementing policies and systems to promote work-life balance, employees can bring their authentic selves to the workplace and feel valued and engaged, leading to more desirable individual and organizational outcomes, such as higher work engagement and productivity (Wood et al, 2020).

2.3. Work-Life Balance on Employee Retention

Research indicates that challenges in balancing work and life have a negative impact on employee retention (Kar and Misra, 2013). To achieve organizational goals through the workforce, work-life balance must be an important part of HR policies and strategies (Garg & Yajurvedi, 2016). Various measures can be taken to retain valuable employees and support them in managing work and family responsibilities. These include flexible work arrangements, providing including training opportunities during working hours, and rewarding employees for completing tasks (Deery, 2008). Work-life balance measures enable employees to better manage their work and family commitments which increases their organizational commitment, job satisfaction and intention to stay with the company (Garg & Yajurvedi, 2016).

2.4. Work-Life Balance Facilities on Employee Retention

2.4.1. Financial Aid on Employee Retention

Financial problems are linked to stress, anxiety and fear, and have a significant impact on physical and mental health (Murray, 2010). Financial well-being, defined as happiness or overall satisfaction with one’s financial situation, is positively correlated with work-life balance and job satisfaction (Jackson & Fransman, 2018). Consequently, compensation and financial benefits are critical to employee retention (Singh, 2019). Employee benefits such as loans, retirement plans and severance packages, are important tools to attract and retain skilled, focused and productive employees. These benefits offer high risk protection at a low cost. For employees, knowing that their needs and those of their families will be met in the event of an emergency contributes to greater peace of mind and higher productivity (Ahmad, et al., 2013).

Employees can apply for loans from employers if they are unable to obtain funds for urgent needs on reasonable terms elsewhere (Hunt & Hayward, 2018). This financial support is particularly important for employees who do not have affordable credit options in times of financial hardship and is associated with positive outcomes for the employer, including higher employee satisfaction, retention, and productivity (Despard et al, 2020).

Savings and loan cooperatives, which are non-profit financial programs that provide savings and loan services to members, offer low-interest loans to employees compared to traditional banks and serve as a safety net for financial emergencies (Ningsih et al, 2019). Many companies offer these cooperatives as a fringe benefit, and such financial assistance programs have been shown to have a positive impact on employee retention (Arifin et al., 2020).

2.4.2. Subsidized Health Insurance on Employee Retention

Employees consider employment-based health insurance a crucial benefit of work, often viewing it as essential to their employment. They seek health insurance for themselves and their families to safeguard against the high costs of serious illness and to ensure access to medical care. For individuals who have not the time or financial resources to save for such expenses, insurance can be the only means to afford vital medical services. Moreover, health insurance can increase worker efforts and productivity by providing the psychological comfort of a safe and supportive work environment. Adequate health insurance benefits play a critical role in employee retention, as dissatisfaction with these benefits may prompt workers to explore other employment opportunities (O’Brien, 2003). Offering subsidized health insurance is a tangible way for organizations to show their commitment to the well-being and satisfaction of

their employees (Ratnawati, et al., 2021). Life and health insurance has a significant impact on employee engagement and retention, fostering a more dedicated and stable workforce (Nyanjom, 2013).

This is particularly important in sectors where there is a significant shortage of qualified personnel (Almaaitah, et al., 2017) or those suffering from high voluntary turnover rates due to fierce competition in the job market such as the construction industry (Chagadama et al, 2022).

Health insurance contributes to employee retention by preserving and promoting the accumulation of human capital, especially in industries characterized by high turnover of companies and employees. By facilitating the prompt treatment of medical problems, health insurance can also reduce workers' incapacity to work, thus ensuring a healthier and more productive workforce (Kim and Philips, 2010). In turbulent industries, this stability is critical to maintaining business continuity and promoting long-term growth and success.

2.4.3. Educational Support (Tuition Assistance) on Employee Retention

Tuition reimbursement programs are a valuable employee benefit where employers cover some or all of employee's college education costs. These programs can take various forms including grants, scholarships, or reimbursements (Pattie et al, 2006).

Companies primarily offer tuition reimbursement to attract talent and improve employee retention. This benefit can influence the type of workers drawn to a firm and potentially increase retention by enhancing an employee's productivity within the current organization (Flaherty, 2007).

Educational opportunities are highly sought after by employees, and well-managed tuition reimbursement programs can benefit both parties. Employees gain skills and knowledge at reduced costs, while employers develop a more educated, flexible workforce. Although there are initial expenses, these are often offset by increased productivity, efficiency and profitability. Such programs can foster loyalty and commitment to the employer (Hannay and Northam, 2000). When employees feel their interests are valued alongside company interests, their intention to leave decreases (Shehawry et al, 2018).

In addition, tuition reimbursement can motivate employees to take proactive initiatives and voluntary contributions to achieve organizational goals that are critical to innovation. Career development plays a positive role in sustaining an organization's long-term innovation and is essential in retaining highly skilled employees in various career fields (Sung and Choi, 2014).

Considering the above, study focuses on the following hypotheses:

H0: *Work-life balance facilitation has no effect on employee retention*

Following the null hypothesis, the alternative hypothesis is as follows:

H1: *Work-life balance facilitation has a positive effect on employee retention.*

Fig. 1 depicts the Conceptual Research Framework.

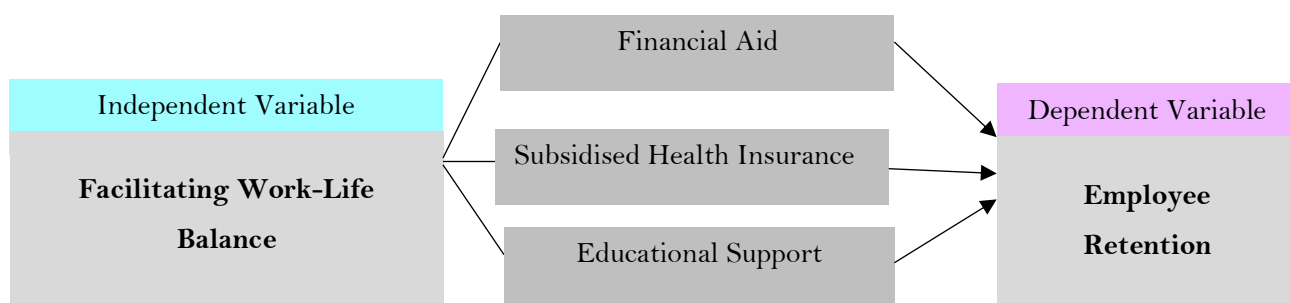


Figure 1: The Conceptual Research Framework.

3. Methodology

3.1. Case Study: CV Shalom

The case study methodology has been selected for this research as it allows for an in-depth analysis of the chosen organization, CV Shalom. This Indonesian company, which manufactures and exports wooden crafts, has a rich 30-year history of hiring and training hundreds of employees from the middle and lower- class backgrounds.

CV Shalom distinguishes itself through its employee welfare initiatives:

- Financial support: The company operates savings and loan cooperatives to provide financial assistance to employees.
- Healthcare benefits: Subsidized health care applies to both employees and their families
- Educational investment: Tuition aid is offered to employees demonstrating potential for higher-quality work.

Moreover, the company respects and accommodates diverse religious beliefs, showcasing a holistic approach to employee well-being.

These policies may contribute to the high employee retention observed at CV Shalom.

The research scope encompasses 79 current CV Shalom employees, who were contacted via their company email accounts by the Human Resource Department.

3.2. Data collection

To investigate the significance of work-life balance initiatives such as financial aid, health insurance, and educational support on employee retention at CV Shalom, a quantitative data collection and analysis approach was adopted. The process was as follows:

-Approval: the executive board provided written permission for the study.

-Initial contact: The HR department emailed all 79 CV Shalom employees, including (i) a letter from the researcher and (2) a participation information sheet (PIS).

-Survey distribution: An online survey was conducted among the employees who had expressed an interest in participating.

-Data collection: The primary data was collected using a questionnaire featuring statements rated on a five-point Likert scale.

The anonymous online survey was designed to take no more than 30 minutes per participant. Furthermore, considering the limited English language skills of the staff, Indonesian translations were provided to ensure comprehensibility for the participant information sheet, consent form, questionnaire. The recruitment and primary data collection phase lasted 7 days, resulting in a survey completion rate of 89.9% (71 out of 79 employees).

This methodology allowed for a comprehensive examination of the link between CV Shalom's work-life balance initiatives and employee retention, while ensuring ethical considerations and accessibility to all potential participants. The Statistical Package for Social Sciences (SPSS) was used to analyse the effect and significance between the independent and dependent variable. Figure 2 depicts the 5-point Likert scale.

Table 2: Five-Point Likert Scale

Numbering	Description
5	Strongly Agree
4	Agree
3	Neither Agree or Disagree
2	Disagree
1	Strongly Disagree

3.3. Operationalisation of Constructs

Table 3.3.1 - Operationalization of Construct and Questionnaire (Employee Retention)

Dependent Variable	Abbreviaton	Dimensions	Indicators	Questionnaire Stateiment	References
Employee Retention	ER1	Organizational Commitment	a) having willingness to take initiative	1) I am not afraid to go my supervisor with a solution to a work problem.	(Rumangkit & Zuriana, 2019)
	ER2		b) having loyalty to the organization	2) I feel proud to work in CV Shalom and I hope to still be working here in 2 years.	
	ER3		c) delivering quality work results	3) I thrive to produce high quality work so that I can continue working in CV Shalom.	
	ER4	Work Engagement	a) being responsible for the work	4) I dare to be held accountable for the quality of my work, weather good or bad.	(Ampopo & Karatepe, 2022)
	ER5		b) being reliable to do the assigned work	5) My supervisor does not have to supervise me multiple times for each work assigned.	

ER6	Employee Turnover Intention	a) dissatisfaction with the organization's policies and strategies	6) I am dissatisfied with the organization's policies in work-life balance facilitation.	(Hinkin & Tracey, 2000)
ER7		b) dissatisfaction with the organization's management	7) I am dissatisfied with the way my authority manages my job division.	

Table 3.3.2 - Operationalization of Construct and Questionnaire (Facilitating Work-Life Balance)

Independent Variable	Abbreviaton	Indicators	Sub-Variables	Questionnaire Stateiment	References
Facilitating Work-life Balance	FWLB1	Time Balance	Financial Aid (Savings and Loans Cooperative)	1a) The facilitation of "employee savings and loan cooperatives" in CV Shalom allows me to enjoy my personal time without having to work overtime every day.	(Greenhaus, et al., 2003)
	FWLB2		Health Insurance (Subsidised by Organization)	1b) The facilitation of "Subsidised health insurance" in CV Shalom allows me to have family time without having to over-work to pay for basic medical needs.	
	FWLB3		Educational Support (Tuition Assistance)	1c) The facilitation of "tuition assistance" in CV Shalom allows me to be home with my family after working hours and without having to work overtime for my children's tuition money.	
	FWLB4	Involvement Balance	Financial Aid (Savings and Loans Cooperative)	2a) The facilitation of "employee savings and loan cooperatives" in CV Shalom allows my professional and personal lives to be well taken care of.	(Sirgy & Lee, 2018)
	FWLB5		Health Insurance (Subsidised by Organization)	2b) The facilitation of "Subsidised health insurance" in CV Shalom reduces my worries, allowing me to focus both on work and family.	
	FWLB6		Educational Support (Tuition Assistance)	2c) The facilitation of "tuition assistance" in CV Shalom allows me to be involved in my family member's lives as well as in my job.	
	FWLB7		Financial Aid (Savings and Loans Cooperative)	3a) The facilitation of "employee savings and loan cooperatives" in CV Shalom promotes my satisfaction at my workplace and at home.	
	FWLB8	Satisfaction Balance	Health Insurance (Subsidised by Organization)	3b) The facilitation of "Subsidised health insurance" in CV Shalom promotes my satisfaction in my professional and personal lives.	(McMillan, et al., 2008)
	FWLB9		Educational Support (Tuition Assistance)	3c) The facilitation of "tuition assistance" in CV Shalom promotes my satisfaction in my job and in my family.	

4. Analysis and results

Demographics

The demographics survey of CV Shalom's employees shows that the workforce consists mainly of male adults from middle to lower economy backgrounds. Notably, most of these employees display remarkable loyalty, with many having served the company for over a decade, some even for more than 30 years. This long-term commitment is particularly remarkable given the relatively modest compensation levels. For context, the minimum wage of a full-time employee in Cirebon City, where CV Shalom is located, is 2,271,201 Indonesian Rupiah (IDR) per month (ASEAN BRIEFING, 2024). This translates to approximately: 122.17 British pounds (GBP), or 153.86 US dollars (USD), or 141.95 euros. This level of employee retention, despite wages at or near the local minimum, suggests that factors beyond monetary compensation play an important role in maintaining workforce stability at CV Shalom. The demographic profile and retention pattern provides an interesting case study in employee loyalty and the potential impact of non-salary benefits on workforce stability in a developing economy context.

Table 4.1 - Demographics Profile of Respondents

Demographic Variable	Category	Frequency	Percentage
Age	18-30 years old	9	12.7%
	31-45 years old	29	40.8%
	46-60 years old	27	38%
	60-75 years old	6	8.5%
Gender	Male	69	97.2%
	Female	2	2.8%
	other	0	-
Latest Education	Elementary	31	43.7%
	Junior High School	21	29.6%
	Senior High School	14	19.7%
	Bachelor's Degree	5	7%
	Master's Degree	0	-
Monthly Income	<Rp 3.000.000	59	83.1%
	Rp 3.000.000-Rp 5.000.000	2	2.8%
	Rp 5.000.000-Rp 10.000.000	8	11.3%
	>Rp 10.000.000	2	2.8%
How long have you worked in CV Shalom?	under 2 years	1	1.4%
	2-5 years	5	7%
	6-10 years	7	9.9%
	10-20 years	15	21.1%
	20-30 years	27	38%
	more than 30 years	16	22.5%

Validity test

The validity of the questionnaire items was determined using the criterion that R_{count} must be greater than R_{table} (Heale & Twycross, 2015). The method involves the following components:

R_{count} : Generated by SPSS for each questionnaire item.

R_{table} : Obtained from the Pearson's Correlation Table.

Significance level (α): Set at 0.05.

Degree of freedom (df): Calculated as (number of samples surveyed - 2). In this case, $df = 71 - 2 = 69$.

Table 4.2 – Validity Test (Facilitating Work-Life Balance)

Independent Variable	Questionnaire Item	Rcount	Rtable	Explanation
Facilitating Work-Life Balance	FWLB1	0.611	0.232	valid
	FWLB2	0.804	0.232	valid
	FWLB3	0.814	0.232	valid
	FWLB4	0.639	0.232	valid
	FWLB5	0.485	0.232	valid
	FWLB6	0.543	0.232	valid
	FWLB7	0.587	0.232	valid
	FWLB8	0.483	0.232	valid
	FWLB9	0.566	0.232	valid

Table 4.3 – Validity Test (Employee Retention)

Dependent Variable	Questionnaire Item	Rcount	Rtable	Explanation
Employee Retention	ER1	0.425	0.232	valid
	ER2	0.348	0.232	valid
	ER3	0.385	0.232	valid
	ER4	0.479	0.232	valid
	ER5	0.515	0.232	valid
	ER6	0.594	0.232	valid
	ER7	0.652	0.232	valid

The results of the validity test show that all questionnaire items used in this research meet the validity criterion. This suggests that each item effectively measures the intended construct and contributes to the overall reliability and validity of the research instrument.

Reliability test

A questionnaire is considered reliable if the respondents' answers are consistent or stable over time. If the Cronbach's alpha value is above 0.70, the data is reliable.

Table 4.4 – Reliability Test

Variables	Cronbach's Alpha	Explanation
Facilitating Work-Life Balance	0.752	Good and Acceptable
Employee Retention	0.677	Acceptable

The result of the reliability test shows that the items for measuring the independent and dependent variables are reliable.

4.1 Hypotheses testing

Analysis of Variance (ANOVA) results

The ANOVA output indicates a linear relationship in the primary data, with a significance value of 0.036. According to Leech, et al. (2014), to reject the null hypothesis and accept the research hypothesis, the significance value in the ANOVA table should be below 0.05.

From the results, the null hypothesis is rejected. The hypothesis: “Work-life balance facilitation has a positive effect on employee retention” is accepted.

Table 4.5 – ANOVA (Generated by SPSS)

ANOVA ^a						
Model		Sum of Squares	df	Mea n Square	F	Sig.
1	Regression	62.093	1	62.093	4.564	0.036 ^b
	Resudual	938.640	69	13.603		
	Total	1000.732	70			

a. Dependent Variable: Employee Retention

b. Predictors: (Constant), Facilitation Work-Life Balance

The Coefficients table shows positive values for all variables, indicating a positive relationship between work-life balance facilitation and employee retention. The results of the t-test support the significance of this relationship:

$t_{\text{count}} = 2.136$, $t_{\text{table}} = 1.995$. As $t_{\text{count}} > t_{\text{table}}$, this confirms the statistical significance of the effect.

Table 4.6 – Coefficients (Generated by SPSS)

Coefficients ^a						
Model		Unstandardized B.	Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	23.548	2.414		9.756	0.000
	Facilitating Work-Life Balance	0.140	0.065	0.249	2.136	0.036

a. Dependent Variable: Employee Retention

4.2 Determination Coefficient Test (R^2)

Table 4.7 - Determination Coefficient Test (R^2)

Model Summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	0.249 ^a	0.062	0.048	3.68829	

a. Predictors: (Constant), Facilitation Work-Life Balance

The Model Summary provides insights into the relationship between the independent variable (facilitating work-life balance) and the dependent variable (employee retention). The multiple correlation coefficient (R) = 0.249 indicates a weak positive relationship between the independent and dependent variables (Leech, et al., 2014). The coefficient of

determination ($R^2=0.062$) indicates that 6.2% of the variance in employee retention can be explained by work-life balance facilitation. The remaining 93.8% is attributable to factors not investigated in this study. This finding aligns with previous research by Silaban & Margaretha (2021) who reported a 4.4% positive impact of work-life balance on employee retention.

5. Discussion

The results of the study show a positive correlation between the implementation of work-life balance programs and employee retention at CV Shalom. In particular, the provision of financial aid through savings and loan cooperatives, subsidized health insurance, and educational support was associated with higher levels of employee satisfaction and commitment. This led to a majority of employees remaining with the company even after 30 years of service. Employees who effectively utilized the company's work-life balance programs reported lower stress and less work-related pressure, leading to higher overall well-being. These findings underscore the importance of establishing work-life balance initiatives in the workplace, as they significantly impact not only employee retention, but also job satisfaction and overall happiness. The results of this study align with and expand upon the work of Rumangkit & Zuriana (2019) who found that that time balance, involvement balance, and satisfaction balance had a positive impact on organizational commitment. Notably, this research revealed that work-life balance facilitation, particularly in terms of financial aid, health insurance and educational support was especially influential in retaining employees from the middle-lower economy class, despite the relatively low salary. This finding supports Holzer & Martinson's (2005) argument that programs based on mixed strategies—including training, various supports and services, financial incentives, can be effective in improving retention of low-skilled workers when implemented as employer-centered policies. While Kumar & Santhosh (2014) found that good compensation packages and career development opportunities were the most influential factors for employee retention in the Indian IT-sector, this study highlights the importance of work-life balance programs in a different context. Building upon the research of Silaban & Margaretha (2021) conducted in Bandung City, Indonesia, this study carried out in Cirebon City, Indonesia provides further insights into the Indonesian context. The results suggest that organizations, prioritizing work-life balance are better equipped to promote employee retention, potentially boosting company revenue through lower hiring costs and increased productivity. This can enhance a company's competitiveness in today's dynamic business landscape.

The results have significant implications for businesses and human resource management. Organizations should strive to design and implement effective strategies and policies that support employees in achieving a healthy work-life integration. By providing financial aid, health insurance, educational assistance, and other supportive measures, employers can a productive workplace that values employee well-being. Investing in employees and work-life balance strategies can improve an organization's ability to retain valuable staff members and build a more engaged and satisfied workforce. This approach not only benefits employees but also contributes to the long-term success and sustainability of the organization.

6. Conclusions, limitations, and future research directions

This study investigated the effect of facilitating work-life balance on employee retention at CV Shalom. Through a comprehensive analysis of primary data collected from a sample of employees, the study provided compelling evidence of a positive correlation between work-life balance initiatives and employee retention rates. The findings suggest that organizations should actively foster a culture of work-life balance by developing and implementing supportive policies and programs. To ensure ongoing effectiveness, companies should regularly evaluate their work-life balance initiatives and make necessary adjustments. By prioritizing employee well-being and creating a supportive work environment, organizations can not only attract and retain top talent, but also enhance employee satisfaction, ultimately contributing to their overall success and competitive advantage.

The study focused on three key independent variables: financial support from savings and loan associations, subsidized health insurance and educational support. The results showed that these factors combined accounted for 6.2% of the impact on employee retention. While this figure is significant, it also suggests that additional factors play a significant role in employee retention, warranting further investigation.

It is important to note the limitations of this study. All respondents were CV Shalom employees, which could potentially introduce a bias towards more motivated and engaged employees. Consequently, the findings may not be universally applicable across all companies, industries or future changes in organizational work-life balance policies and practices.

Future studies should extend the geographical scope to other locations within Indonesia and internationally to allow for comparative analysis. Also, additional independent variables should be investigated to provide a more comprehensive understanding of factors influencing employee retention. Also, by examining the potential moderating effects of demographic factors, job roles, and organizational culture on the relationship between work-life balance and employee retention, would broaden the scope and depth of research in this area that can provide nuanced insights into the complex dynamics of work-life balance and its impact on employee retention in different organizational contexts.

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