

## **Enhancing Employee Loyalty Through Management Support and Work-Life Balance: Evidence from Heavy Equipment Rental Companies**

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### **Abstract**



This study aims to analyze the effect of management support and work-life balance on employee loyalty in a heavy equipment rental company in Cikarang. In the context of increasingly competitive industrial competition, employee loyalty is an important element in improving organizational performance and reducing turnover. This study use quantitative approach. The results of the study indicate that management support that includes effective communication, performance rewards, and structured career development has a positive impact on employee loyalty. In addition, a good work-life balance helps employees cope with work pressure and maintain a balance between personal life and work, which ultimately increases employee engagement with the company. Analysis using the SmartPLS method confirms the validity and high reliability of the research model. These findings provide practical implications for companies to design policies that support employee welfare, such as work flexibility and managerial training, in order to increase loyalty and business sustainability.

**Keywords:** Management Support, Work-Life Balance, Employee Loyalty, Service Industry, SmartPLS.

### **Introduction**

In the era of globalization and increasingly tight business competition, employee loyalty is one of the key factors for a company's success. Employee loyalty has a significant impact on operational efficiency and organizational performance, especially in companies engaged in the heavy equipment rental industry that has a high level of work difficulty. According to (Tamimi et al., 2023), employee loyalty can increase productivity, reduce labor turnover, and support the achievement of the company's strategic goals. Therefore, understanding the factors that drive employee loyalty is crucial for the sustainability of the company amidst competitive industrial competition.

Good management support can create a positive work environment, where employees feel valued and supported in their professional development and well-being. A study conducted by (Nijhawan et al., 2022) showed that perceived organizational support has a positive relationship with employee work motivation and loyalty. This includes effective communication from management, appreciation of employee contributions, and structured professional development policies. When employees feel supported by management, they tend to have a higher emotional attachment to the company and are more motivated to contribute optimally. In addition, work-life balance (WLB) is a crucial issue in modern human resource management, Work-life balance refers to the ability of employees to maintain

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a balance between work targets and personal life. According to (Brough et al., 2014), this balance affects mental health, life satisfaction, and employee loyalty. In the heavy equipment rental industry, the nature of work that requires high mobility and long working hours is often a challenge for employees in maintaining this balance. If the company does not pay attention to the balance between work and personal life of employees, the risk of stress and loss of motivation or enthusiasm will increase, which can ultimately impact employee loyalty.

Challenges in maintaining employee loyalty in heavy equipment rental companies often arise due to high workloads and constant operational pressures. A study by (Suryantari et al., 2023) found that a high-pressure work environment can reduce employee engagement with the company if not balanced with supporting policies such as work flexibility and management support. Therefore, implementing policies that support work-life balance and management that is responsive to employee needs are key to maintaining loyalty in this competitive work environment.

Despite extensive research on employee loyalty, limited studies have examined its relationship with management support and work-life balance in industries with high-intensity work environments, such as heavy equipment rental companies. Existing studies have primarily focused on general service or corporate sectors, neglecting the unique challenges faced by employees in industries that demand high mobility and extended working hours. Furthermore, most research tends to analyze work-life balance from a general well-being perspective, without addressing its role as a strategic tool for retaining employees in high-pressure work environments. This study seeks to bridge this gap by providing empirical evidence on how management support and work-life balance interact to influence employee loyalty, emphasizing their combined impact in mitigating workplace stress and enhancing commitment. The novelty of this research lies in its industry-specific focus, integrating insights from organizational support theory and work-life balance frameworks to propose strategic interventions tailored for high-demand labor sectors.

Based on this, this study aims to analyze the effect of management support and work-life balance on employee loyalty in a heavy equipment rental company. This study is expected to provide significant contributions to the development of human resource management policies, especially in improving employee welfare and supporting overall company performance. Thus, companies can design effective strategies to create a work environment that supports employee loyalty and productivity (Casper et al., 2017).

## **Method**

This study uses a quantitative method with a survey approach to analyze the relationship between management support, work-life balance, and employee loyalty. The population of the study was employees of a heavy equipment rental company in Cikarang, with a sample of 150 respondents selected using a purposive sampling technique. This sampling technique was chosen to ensure that the selected respondents have relevant experience and adequate exposure to management support and work-life balance policies within the company. Given that not all employees may experience these policies equally, purposive sampling allows for a more targeted approach in obtaining insights from employees directly affected by organizational support initiatives. The respondent criteria were employees who had worked for at least one year to ensure adequate work experience. Data were collected through a structured questionnaire consisting of three parts: respondent

identity, research variable indicators, and statements with a 5-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree). The research variables include management support measured through indicators such as effective communication, performance rewards, and career development; work-life balance which refers to the balance between work and personal life; and employee loyalty which includes emotional attachment, desire to continue working, and commitment to the company.

Data analysis was performed using SmartPLS software. Validity and reliability tests were performed through outer loading analysis and Cronbach's Alpha to ensure that the measurement instrument is valid and reliable. Hypothesis testing uses Structural Equation Modeling (SEM) analysis to evaluate the relationship between variables, with the R-Square value used to assess the contribution of independent variables to the dependent variable. This study is expected to provide practical contributions to companies in designing policies that support employee welfare and increase their loyalty.

## Results and Discussion

### Validity Test

Table 1. Outer Loadings Results

	Management Support	Employee Loyalty	Work-Life Balance	Information
				Valid
DM10	0.711			Valid
DM4	0.716			Valid
DM5	0.858			Valid
DM6	0.875			Valid
DM7	0.912			Valid
DM8	0.785			Valid
DM9	0.813			Valid
LK4		0.743		Valid
LK5		0.822		Valid
LK6		0.762		Valid
LK7		0.834		Valid
LK8		0.880		Valid
LK9		0.769		Valid
WLB10			0.823	Valid
WLB4			0.746	Valid
WLB5			0.743	Valid
WLB6			0.834	Valid
WLB7			0.792	Valid
WLB8			0.861	Valid
WLB9			0.868	Valid

Source: SmartPLS Data Processing (2024)

Based on the results of data processing using SmartPLS attached in Table 2, all indicators in the variables of Management Support, Work Life Balance and Employee Loyalty are declared valid after going through a data elimination process. This validity can be seen from the outer loadings value which meets the minimum criteria of  $>0.7$ , indicating that each indicator has a strong contribution to the construct of each variable. Indicators that meet the validity requirements reflect the reliability of the instrument in measuring the concept being studied. Thus, the data obtained can be used for further analysis because it has been verified valid and is able to represent the research variables well.

### Reliability Test

Table 2. Reliability Test

	Cronbach's Alpha	rho_A	Cronbach's Alpha	Cronbach's Alpha
DM	0.913		0.918	0.931
LK	0.891		0.912	0.916
WLB	0.913		0.919	0.931

Source: SmartPLS Data Processing (2024)

Based on the results of the reliability test using the Cronbach's Alpha and rho\_A methods, all research indicators show a very good level of reliability. The management support indicator (X1) has a Cronbach's Alpha value of 0.913 and rho\_A of 0.918, the work life balance indicator (X2) is 0.913 for Cronbach's Alpha and 0.919 for rho\_A, and the employee loyalty indicator (Y) with Cronbach's Alpha 0.891 and rho\_A 0.918. These values indicate strong internal consistency for each construct, which is further strengthened by the additional Cronbach's Alpha values in the right table with a range of 0.916–0.931. Thus, the instruments used in this study have met adequate reliability requirements and are suitable for measuring management support, work life balance and employee loyalty.



### R Square

Table 3. R-Square Results

	R Square	R Square Adjusted	R Square Adjusted
LK		0.395	0.384
WLB		0.350	0.344

Source: SmartPLS Data Processing (2024)

Based on the results of the R Square analysis, the R Square value of employee loyalty (LK) is 0.395 with an Adjusted R Square value of 0.384, which indicates that the work life balance (WLB) variable is able to explain the employee loyalty variable by 39.5%, while the rest is influenced by other variables outside the research model. The R Square value for work life balance (WLB) is 0.350 with an Adjusted R Square of 0.344, indicating that the variables that influence work life balance are able to explain 35% of the variance. Thus, these results confirm that work life balance has a significant influence in increasing employee loyalty, where this research model has good predictive power and can be relied on in a managerial context.

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## Discussion

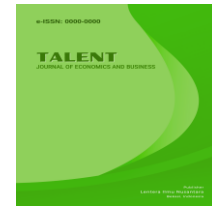
Management support plays a crucial role in creating a positive relationship between employees and the organization. The results of the analysis show that management support including transparent communication, performance rewards, and career development policies contribute significantly to employee loyalty. This is in line with research (Nijhawan et al., 2022) which revealed that employees who feel supported by the organization tend to have a stronger emotional attachment to the company. In addition, this support also increases employees' intrinsic motivation to contribute more to organizational goals. However, the results of the study also show that a lack of attention to the individual needs of employees can reduce their loyalty. For example, a study by (Stinglhamber et al., 2016) identified that employees who do not receive recognition for their contributions tend to have lower levels of commitment. Therefore, heavy equipment rental companies need to integrate management support as part of their human resource strategy.

Work-life balance is a key factor in creating a work environment that supports employee well-being. This study found that employees who are able to maintain a balance between work and personal life tend to be more satisfied with their jobs, thereby increasing their loyalty to the company. This finding is consistent with research (Haar et al., 2020) which shows that work-life balance contributes to increased job satisfaction, mental health, and quality of life for employees. However, in the heavy equipment rental industry which has high operational pressure, many employees face challenges in achieving this balance. A study by (Greenhaus et al., 2003) stated that high work pressure without work flexibility can increase the risk of stress and loss of enthusiasm, which has a negative impact on employee loyalty. Therefore, it is important for companies to design work flexibility policies and provide emotional support to ease employee workload.

The results of this study also show that management support and work-life balance have a complementary relationship in influencing employee loyalty. Good management support can help employees cope with excessive work pressure, thus supporting the creation of work-life balance. Conversely, good work-life balance can increase the effectiveness of management support. (Casper et al., 2017) highlighted that integrated organizational interventions, such as management training to support employee work-life balance, can significantly increase loyalty. Based on these findings, heavy equipment rental companies can implement strategic steps such as training for managers to increase support for employees, as well as providing work flexibility policies.

## Conclusion



This study shows that management support and work-life balance have a significant influence on employee loyalty in heavy equipment rental companies. Good management support creates a sense of appreciation and motivation in employees, while a well-maintained work-life balance helps employees cope with work pressure, thereby increasing their commitment to the company. The interaction between these two factors suggests that an integrated strategy will have a greater impact on employee loyalty. By understanding these factors, companies can adopt policies that focus on improving employee welfare, such as leadership training, work flexibility, and work-life balance programs. This step not only increases employee loyalty but also makes a positive contribution to the sustainability of the company's business. However, this study has several limitations that should be acknowledged. First, the research



was conducted in a single heavy equipment rental company in Cikarang, which may limit the generalizability of the findings to other industries or regions. Future studies should expand the scope to include multiple companies or different sectors to provide a broader perspective. Second, this study employs a cross-sectional design, capturing employee perceptions at a single point in time. Longitudinal research could offer deeper insights into how management support and work-life balance influence employee loyalty over time.

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