

Employee Turnover Intensity Among Generation Z in Indonesia's Financing Industry

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ABSTRACT

The study aim is to examine and investigate the capacity of job satisfaction as a mediator in the relationship between factors such as career development, employee engagement, employee well-being, and work-life balance with the tendency of turnover intention to Generation Z employees at PT FIF. This research was conducted using an explanatory quantitative approach. Data were collected through questionnaires sent online to Generation Z employees. The respondents were determined using purposive sampling. To process and test the model, this study adopted the PLS-SEM statistical analysis method, supported by the Smart-PLS application, to analyze the relationships between the constructs. The data derived from the investigation show career development, employee welfare, and work-life balance positively and significantly influence job satisfaction. In contrast, the empirical analysis revealed that employee engagement does not exert a statistically significant influence job satisfaction. Furthermore, the analysis revealed that these independent variables had no significant direct relationship with turnover intensity. Similarly, the job satisfaction as intermediary was not confirmed, and further research is needed to understand the causal nexus of job satisfaction and employee performance. The model has strong explanatory power for job satisfaction but is limited in explaining turnover intention. This study contributes to the literature by placing employee well-being as the dominant factor shaping the job satisfaction of Generation Z in the financing sector.

Keywords

Career Development
Employee Well-being
Generation Z
Job Satisfaction
Turnover Intention

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**Introduction**

Over the past decade, workplace dynamics have been reshaped by the entry of Gen Z into the global labor market. This cohort, born between 1997 and 2012, represents the youngest segment of the workforce and is projected to become a dominant force by 2030 [1]. Growing up in a digital environment, they are accustomed to fast communication, online interaction, and instant access to information[2]. These traits foster efficiency but also impatience with lengthy processes, a preference for flexibility, and a critical stance toward organizational authority.

Such characteristics present challenges for companies in Indonesia's financing industry, where retaining young employees becomes increasingly difficult. Data from *the LinkedIn Workforce Report* (2024) shows that workforce instability within the Gen Z segment in Indonesia is 54% higher than that of Generations Y and X over the past five years, while Deloitte's [3] reports that 40% of Generation Z employees plan to leave their jobs within the next couple of years. This highlights employee retention as a strategic issue requiring urgent attention. Therefore, companies must understand the values, motivations, and expectations of Generation Z regarding the work environment to design adaptive, inclusive, and sustainable human resource management strategies that meet their needs.

Previous studies have revealed diverse factors influencing turnover intention; however, the findings remain inconsistent. Adelia et al. [4] indicate that the turnover intention rate in the banking industry is very high, exceeding 25%, and professional fulfillment is shaped by personnel engagement and mental fatigue, while turnover intention is collectively influenced by emotional exhaustion, employee engagement, and job satisfaction. Research on turnover intention among Generation Z in the financial industry is also found in Halim and Antolis [5] work, the study found that "*variables of work-life balance, personality-job fit, work stress, employee relations, compensation, physical work environment, job satisfaction, career development, organizational culture, and organizational commitment, and as job satisfaction became a significant driver*". The data collected by Halim and Antolis were reinforced by the research conducted by Firmansyah and Wahyuningtyas [6], which indicated that

organizational support for employees predominantly influences turnover intentions, followed by work-life balance, job satisfaction, work ease, and psychological well-being.

Research conducted by Prasetyo et al. [7] indicates that poor equilibrium of work-life and unclear career paths are the main determinants that drive employees' intention to leave their jobs. However, Wahyudi and Saryatmo (2024) state that Generation Z employees' intention to leave their jobs can be minimized through a good work-life balance and job satisfaction supported by good career development. Meanwhile, research conducted by Damayanti and Wulansari [8] reinforces that compensation and non-physical aspects of the work environment are factors that significantly influence the attrition levels within the Gen Z cohort in Bandung, which was verified using a quantitative approach through path *analysis*. In contrast, Subagyo et al. [9] confirm that excessive workloads can increase the intention to leave through quantitative survey research. Meanwhile, Barrio's [10] research, using a qualitative approach in Ireland, shows that *learning and development* factors also play an important role in influencing Generation Z's decision to stay or change their jobs. Furthermore, Calista and Erdiansyah [11] argue that job satisfaction has a direct impact on Generation Z's desire to resign; however, as a mediator, job satisfaction does not necessarily bridge the gap between work-life balance and turnover intention. These varied findings suggest that turnover among Gen Z is shaped by multiple interrelated factors, requiring an integrated analysis.

This study addresses this gap by examining the combined effects of career development, employee engagement, employee well-being, and work-life balance on turnover intention, with job satisfaction as an intermediary. This research focuses on Generation Z employees in Indonesia's financing sector, where workforce stability is critical to organizational performance. By applying a quantitative approach with PLS-SEM, this study aims to clarify whether these factors directly influence turnover or operate through job satisfaction. This study contributes to the literature by identifying which variables most strongly shape satisfaction and whether satisfaction itself reduces turnover intention.

Accordingly, this study seeks to answer the following two questions:

1. Do the factors of Career Development, Job Satisfaction, Employee Well-being, Employee Engagement, and Work-Life Balance influence Turnover among Generation Z?
2. Are Career Development, Job Satisfaction, Employee Well-being, Employee Engagement, and Work-Life Balance effectively implemented in companies?
3. This provides both theoretical insights and practical guidance for organizations seeking to retain young talent in Indonesia's financial industry.

Literature Review

A. Turnover Intention

Classic theories, such as organizational equilibrium, argue that employees depart when rewards no longer match contributions [12], while job embeddedness theory highlights the role of fit, links, and sacrifice in reducing turnover [13]. Moreover, Cho and Lewis [14] defined it as an employee's conscious plan to leave their organization, often seen as a precursor to actual resignation [14]. Recent studies have confirmed that Gen Z employees, who value clarity and rapid feedback, are particularly sensitive to dissatisfaction [15], [16]. Furthermore, to determine whether there is any dissatisfaction experienced by the employee with the company, the turnover intention scale six (TIS-6) is needed according to Latief and Ridloah[15], which then leads the company to understand the employee's perception of the values and loyalty to the company [17], [18]. These studies lead us to understand that turnover intention is both a psychological state and a strategic concern for organizations, especially in terms of Gen Z perceptions.

B. Career Development

Organizations facilitate career maturation by providing a framework in which institutional prospects meet individual objectives [19]. Evidence shows that organizational support for career growth enhances loyalty and reduces turnover intention [20]. Subsequent research also indicates a positive relationship between career development policy and employees' intention to stay [21], [22]. However, another study showed an indirect effect of career development in strengthening engagement and satisfaction of employees, which then lowers employees' intention to leave [23], [24]. For Gen Z, transparent career development paths are especially critical for shaping retention.

C. Employee Engagement

Employee engagement reflects the energy, commitment, and involvement that employees bring to their roles [25], [26]. Additional research from Csikszentmihalyi's concept of flow, which is characterized as a holistic sensation arising from total immersion in an activity, where the distinction between the individual and their surroundings effectively dissolves [27]. Furthermore, Chairunnisa et al. [28] study, highlight the company's efforts to develop multidimensional strategies related to work flexibility, clarity of employee roles, and the existence of social support to inspire employees' perceptions of organizational values and opportunities for self-development. In addition, supportive leadership and open communication contribute to increased engagement and organizational commitment [29]. This opinion is in line with Zeng and Song [30], who developed a mediation model stating that *employee engagement* acts as a link between *person-environment fit* and increases innovative behavior among employees, especially young employees.

D. Work-Life Balance

Work-life balance refers to the ability to maintain an equilibrium between professional and personal roles [31]. For the Gen Z cohort, work-life interference is a primary driver of burnout, which substantially increases their propensity to seek external career opportunities. Putra and Widigdo [32] found that *work-life balance* has a positive impact on *employee engagement* levels; therefore, the concept of *work-life* balance has become an essential aspect of contemporary life and cannot be ignored [33]. However, other studies have found insignificant interconnections between *work-life* balance and *employee engagement* [34], [35]. The varied results indicate that balance may serve as a moderating factor, enhancing the influence of career development retention.

E. Employee Well-being

Employee well-being encompasses psychological, subjective, and workplace dimensions [36]. Therefore, integrated HR practices, such as mental health support, employee assistance programs, and flexible work policies, are associated with lower turnover [37], [38]. In high-pressure environments, well-being becomes a decisive factor in retention, particularly for Gen Z employees who prioritize mental health and supportive culture [39].

F. Job Satisfaction as a Mediating Variable

According to Herzberg's theory of Motivation and Hygiene, job satisfaction is a positive evaluation of one's work role and environment [40]. According to the Affective Events Theory, daily positive experiences enhance satisfaction and loyalty [41]. Studies show that satisfaction reduces turnover intention directly, although its mediating role between other variables and turnover remains debated [11]. For Gen Z, satisfaction is closely tied to the clarity of goals and feedback.

G. Conceptual Framework

Based on the reviewed literature, this study proposes that career development, engagement, well-being, and work-life balance influence turnover both directly and indirectly through employees' job satisfaction. The hypotheses (H1-H8) reflect these relationships, forming the basis of the conceptual framework (Figure 1).

H1: CD affects TI mediated by JS

H2: EE affects TI mediated by JS

H3: EWB affects TI mediated by JS

H4: WB affects TI mediated by JS

H5: CD has a direct effect on TI

H6: EE directly affects TI

H7: WB directly affects TI

H8: JS as a mediating variable for CD, EE, EWB, and WB has a direct effect on IT

The model of the relationship between these variables is presented in Fig. 1.

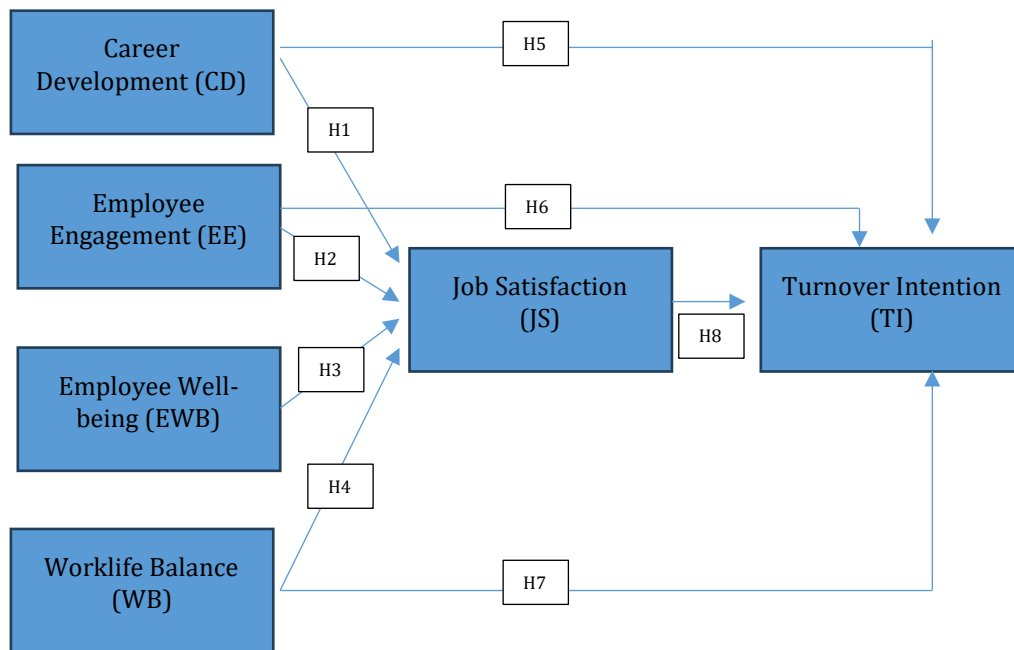


Fig. 1. The Relationship of Variables

Material and Methods

A. Research Method

A quantitative research strategy was operationalized to investigate the complex interrelationships between career development, employee engagement, and employee well-being, as well as work-life balance, job satisfaction, and turnover intention. Our study used a population of FIF Indonesia employees spread across various divisions. With a heterogeneous population of 11,200 employees, purposive sampling was applied to ensure that the respondents were Generation Z employees of PT FIF. To ensure an appropriate sample size, the Slovin formula was used, which is very effective for large populations. The formula is as follows.

$$n = \frac{N}{1 + N e^2} \quad (1)$$

Where:

N = Total population (11,200 employees)

e = Margin of error (set at 5%)

Based on these calculations, the lower bound of the sample size recommended for PLS-SEM analysis was determined to be 100 respondents. To increase the reliability and robustness of the findings, the final sample size was increased to 133. Respondents were selected to reflect a diverse demographic, covering various regions across FIFGROUP branches. Variations in age, highest level of education, and place of residence were also considered in the analysis.

B. Data Collection

The research population encompasses members of the post-millennial generation who are officially employed at PT. Federal International Finance (FIF). The parameters to be examined included Career Development opportunities, Employee Engagement, Work-Life Balance, and Employee Well-being. This study adopted a *purposive sampling* method to ensure that the selected respondents represented a specific population of interest. Respondents must meet the following requirements: cohort of Generation Z (born between 1995 and 2012), be active employees of PT Federal International Finance, and have worked for at least one year at their current organization. Questionnaires will be distributed via the company's email platform and WhatsApp group to ensure a high response rate from the target population. The primary data were obtained from 133 respondents who completed the questionnaire. These respondents were Generation Z employees spread across various divisions and fields of work at PT FIF.

The data were gathered using a research instrument comprising 44 items, specifically designed to operationalize the core constructs of the study: *Career Development, Employee Well-Being, Employee Engagement, Job Satisfaction, and Turnover Intention*. This questionnaire was adapted from validated scales used in previous studies, including Calista and Erdiansyah[11] to measure career development and *job satisfaction*, and Sirgy and Lee [42] for work-life balance. Bhoir and Sinha [37] assessed employee well-being, Rochmawati et al. [22] assessed *employee engagement*, and Joo and Park [43] assessed *turnover intention*. Data collection employed a five-point Likert scale to quantify respondents' perceptions. Before the main survey, a preliminary investigation was conducted with 100 respondents to verify the instrument's validity and reliability. Confirmatory Factor Analysis (CFA) was employed to validate the constructs, whereas Cronbach's alpha was utilized to confirm the reliability of the instruments, with a threshold value of 0.70. This procedure ensured the effectiveness of the questionnaire in accurately capturing the relationships among the variables.

C. Research Design

The proposed data collection method was a quantitative survey using an online questionnaire. The research variables were measured using a closed-ended questionnaire with a 5-point Likert scale (1-5). Data processing was carried out using SmartPLS software, employing the PLS-SEM method. This SEM technique was used to confirm or reject hypothesized relationships between the latent constructs included in the model. Smart-PLS software was used as the primary computational tool. This method was chosen because it is suitable for analyzing complex models involving several independent variables, mediation, and moderation, such as employee engagement, career development, turnover intention, and work-life balance.

Results

A. Confirmatory Factor Analysis (CFA)

To measure the construct, research using CFA was conducted to evaluate the extent to which the empirical data aligned with the hypothesized latent variables. To ensure a rigorous and in-depth analysis, the model underwent careful purification by discarding indicators that failed to satisfy the requisite validity criteria, thereby safeguarding the precision and reliability of our results. The interrelationships identified through the SEM analysis are illustrated in Figure 2. Table 1 details the validity outcomes following the exclusion of non-compliant items, specifically EE9, EE10, EE11, and EWB4-EWB8.

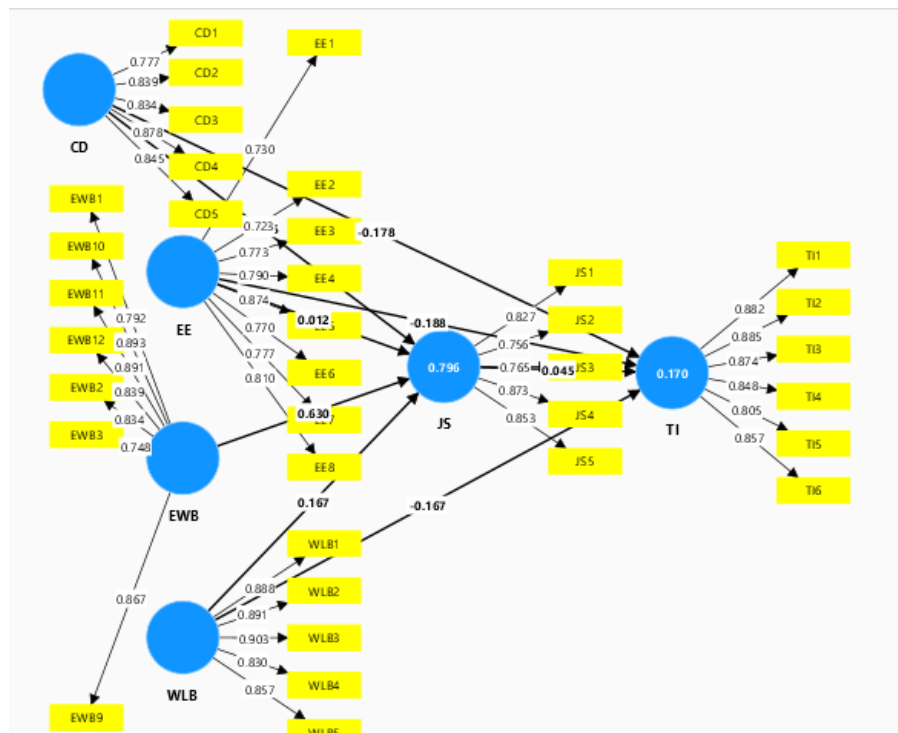


Fig. 2. Variable Operationalization of SEM-PLS

Interpretation of Figure 1: Arrows represent the hypothesized relationship between the constructs. The Path coefficients indicate the strength of these relationships, with thicker arrows denoting stronger effects.

Table 1. Outer Loading

	CD	EE	EWB	JS	TI	WLB
CD1	0.777					
CD2	0.839					
CD3	0.834					
CD4	0.878					
CD5	0.845					
EE1		0.730				
EE2		0.723				
EE3		0.773				

	CD	EE	EWB	JS	TI	WLB
EE4		0.790				
EE5		0.874				
EE6		0.770				
EE7		0.777				
EE8		0.810				
EWB1			0.792			
EWB10			0.893			
EWB11			0.891			
EWB12			0.839			
EWB2			0.834			
EWB3			0.748			
EWB9			0.867			
JS1				0.827		
JS2				0.756		
JS3				0.765		
JS4				0.873		
JS5				0.853		
TI1					0.882	
TI2					0.885	
TI3					0.874	
TI4					0.848	
TI5					0.805	
TI6					0.857	
WLB1						0.888
WLB2						0.891
WLB3						0.903
WLB4						0.830
WLB5						0.857

The analytical results indicate that all indicators for each variable show validity above 0.7.

B. Validity

Validity was assessed using convergent and discriminant analyses. The outer model was evaluated by verifying that all item loadings exceeded the recommended 0.7 cut-off. As detailed in Table 2, all items successfully met this criterion. Complementing this, Table 3 demonstrates that the Average Variance Extracted (AVE) for every construct in the model exceeded 0.5. Notably, even the EE construct—which yielded the lowest AVE at 0.612—remained well within the acceptable limits.

Table 2. AVE

Construct	AVE
CD	0.698
EE	0.612
EWB	0.704
JS	0.666
TI	0.738
WLB	0.765

There are three methods for testing discriminant validity: the HTMT, Fornell-Larcker, and cross-loading methods. HTMT is regarded as the most accurate test, although all methods must produce reliable results (i.e., HTMT ratios below 0.9). Table 3 presents the HTMT ratios for all variables.

Table 3. HTMT Ratio

	CD	EE	EWB	JS	TI	WLB
CD						
EE	0.762					
EWB	0.807	0.843				
JS	0.828	0.800	0.969			
TI	0.365	0.379	0.370	0.347		
WLB	0.478	0.565	0.615	0.677	0.343	

C. Reliability Test

The reliability test function determines the reliability of the indicator blocks grouped to represent and measure latent constructs. Based on Table 4, scores exceeding the threshold of 0.7 confirmed *the reliability* of the obtained data.

Table 4. Reliability Results

	Cronbach's alpha	Composite of rho_a	Composite of rho_c
CD	0.891	0.899	0.920
EE	0.909	0.916	0.926
EWB	0.929	0.931	0.943
JS	0.874	0.876	0.909
TI	0.929	0.944	0.944
WLB	0.923	0.924	0.942

Table 4 shows that the JS of TI and EWB of Cronbach's alpha ranged from 0.874 to 0.929. Accovalues exceeding 0.708 are considered to be acceptable to indicate adequate reliability [44]. These results confirm that the measurement items consistently reflect latent constructs.

D. The Influence of F² and R²

The F² (F-square) value quantifies the size of the effect of the independent construct on the dependent construct in the structural model, indicating the extent of its contribution to explaining variance. As stated by Sarstedt, the effects of F² are divided into three categories: minor, moderate, and significant [44]. The values assigned to these categories were 0.02, 0.15, and 0.35. Therefore, Table 6 shows that CD, EWB, and WLB significantly affect JS, with F² values of 0.070, 0.569, and 0.091, respectively.

Table 6. F Square

	F-square
CD -> JS	0.070
CD -> TI	0.015
EE -> JS	0.00
EE -> TI	0.017
EWB -> JS	0.569
JS -> TI	0.001
WLB -> JS	0.091
WLB -> TI	0.02

Table 7. R Square

	R-square	Adjusted R-square
JS	0.796	0.790
TI	0.170	0.143

The R^2 (R-Square) value is a measure of how much of the variation in the dependent construct can be attributed to the independent variables. The R^2 coefficient is used to gauge the degree of variance within the endogenous construct that can be elucidated by the structural model. The predictive power of the model was assessed based on the R^2 value interval, with 0.25, 0.50, and 0.75 classified as weak, moderate, and strong. Table 7 presents the R^2 analysis results, which describe the explanatory power of the model for each endogenous construct. It is usually expected to be in the range of 0 - 1 [44]. The variables CD, EWB, EE, and WLB collectively explained 79% of the influence on JS. In addition, the JS variable explains approximately 14.3% of the variance in the intention to leave construct.

E. Hypothesis Testing

Bootstrapping was used with SmartPLS 4.0 to test the hypotheses and evaluate the trajectory and statistical robustness of inter-construct associations within the latent framework. The Details are presented in Table 8.

Table 8. Path Analysis (Direct Effects) and Hypothesis Testing

H	Construct	O	M	STDEV	O/STDEV	P values
H1	CD -> JS	0.186	0.193	0.063	2.963	0.003
H2	EE -> JS	0.012	0.017	0.087	0.132	0.895
H3	EWB -> JS	0.630	0.617	0.093	6.766	0.000
H4	WLB -> JS	0.167	0.169	0.055	3.013	0.003
H5	CD -> TI	-0.178	-0.183	0.121	1.470	0.142
H6	EE -> TI	-0.188	-0.196	0.136	1.379	0.168
H7	WLB -> TI	-0.167	-0.174	0.125	1.335	0.182
H8	JS -> TI	0.045	0.054	0.132	0.340	0.734

O: Original Sample; M: Sample Mean; STDEV: Standard Deviation; O/STDEV: T Statistic

This study investigates eight interrelated hypotheses to explore the dynamic relationships between CD, EE, EWB, WLB, JS, and TI. The initial hypothesis (H1) posits a positive correlation between CD and JS. Statistical evaluation corroborated this correlation, indicating that CD exerts a significant influence on JS. The magnitude of the path coefficient (0.186) is deemed considerable, substantiated by a low p-value (0.003), and a high T-statistic (2.963). These robust empirical findings endorse the acceptance of Hypothesis 1 (H1).

The subsequent hypothesis (H2) posits a positive correlation between EE and JS. The analytical results validate this proposition, demonstrating that EE directly influences JS. Statistically, this correlation is not significant, as evidenced by the p-value of 0.895, which is significantly above the threshold for significance, coupled with a t-statistic value of merely 0.132. Consequently, these findings necessitated the rejection of Hypothesis 2 (H2).

The third proposition (H3) investigates the interconnection between EWB and JS. The research findings indicate that EWB has a direct impact on JS, with a coefficient value of 0.630. These results reflect a robust and significant positive correlation, thereby confirming the validity of H3.

The fourth proposition (H4) posits a positive relationship between WLB and JS. The analysis substantiates this assertion, revealing that WLB has a direct and substantial effect on JS, with a coefficient of 0.167. This outcome underscores a positive relationship, thereby validating H4.

The fifth proposition (H5) examines the impact of CD on TI. The research findings indicate that CD does not exert a direct influence on TI, as evidenced by a coefficient value of -0.178, which indicates a negative relationship. This result does not provide compelling support for H5.

The sixth proposition (H6) investigates the interconnection of EE and TI. The analysis revealed that there was no direct effect of EE on TI, as reflected in a coefficient value of -0.188.

The seventh proposition (H7) examines the connection between WLB and TI. Statistical analysis confirmed that WLB had a significant and direct effect on TI. This effect is quantified by a path coefficient of 0.167, which supports H7.

The eighth proposition (H8) anticipates a negative relationship between JS and TI. However, the statistical analysis revealed a weak and insignificant effect, wherein JS influenced TI with a constant of 0.045 and a p-value of 0.734. Given that the p-value remains above the 0.05 significance threshold, it can be inferred that JS does not significantly mediate the relationship between TI and JS, necessitating the rejection of H8.

Discussion

This discussion integrates the empirical findings with existing theoretical perspectives and previous empirical studies in order to strengthen the interpretation of the results. The results presented herein are based on the comprehensive data analysis performed on the research procedures described in the methods section, specifically the data derived from testing the PLS-SEM model on Generation Z employee data at PT Federal International Finance (PT FIF). The discussion is structured based on the empirical findings obtained from hypothesis testing and is interpreted by linking the results of this study with relevant theoretical perspectives and previous empirical research related to employee behavior and human resource management.

A. Measurement Model Analysis Results

The confirmatory factor analysis (CFA) results demonstrate that the measurement model used in this study has strong validity and reliability. All constructs meet the recommended thresholds for outer loading, average variance extracted (AVE), and composite reliability,

indicating that the indicators used in this research appropriately represent the theoretical constructs of career development, employee engagement, employee well-being, work-life balance, job satisfaction, and turnover intention.

From a theoretical perspective, the validity of these constructs confirms that the measurement instruments successfully capture important dimensions of employee attitudes and organizational behavior. Previous studies in human resource management emphasize that constructs such as employee engagement, job satisfaction, and well-being represent different yet interrelated aspects of employees' workplace experiences [25], [36]. Therefore, the statistical validity of these constructs indicates that the operationalization of the research variables is consistent with the theoretical framework discussed in the literature.

In addition to convergent validity, the results of the discriminant validity test indicate that each construct in the model represents a distinct concept. This means that variables such as work-life balance, employee well-being, and employee engagement capture different aspects of the organizational experience. Previous studies have also highlighted that these constructs represent different dimensions of employee perceptions toward organizational practices and workplace environments [31], [36].

Furthermore, the reliability test results confirm that the measurement instruments used in this study demonstrate strong internal consistency. High reliability values indicate that the questionnaire items consistently measure the intended constructs. Consequently, the measurement model used in this research is considered appropriate for further structural model evaluation and hypothesis testing

B. Structural Model Analysis Results

The structural model analysis reveals several important relationships among the variables examined in this study. The findings indicate that career development has a significant positive influence on job satisfaction among Generation Z employees at PT Federal International Finance. This finding suggests that employees who perceive clear career advancement opportunities and structured professional development programs tend to experience higher levels of satisfaction in their work environment.

From a theoretical perspective, career development reflects an organizational effort to align employees' personal aspirations with long-term organizational goals. Organizations that provide structured career pathways allow employees to perceive future prospects within the organization, thereby strengthening their motivation and job satisfaction [19]. Career development programs can therefore enhance employees' perceptions of professional growth and organizational support.

Previous empirical studies support this relationship. Research conducted by Prasetyo et al. [7] indicates that unclear career pathways can significantly increase employees' intention to

leave their jobs. Similarly, Firmansyah and Wahyuningtyas [6] found that organizational support for employee development significantly influences employee attitudes and job satisfaction in the financial sector. These findings suggest that career development policies play a crucial role in shaping employees' perceptions of long-term career opportunities within an organization.

In addition to career development, employee well-being was found to have the strongest influence on job satisfaction. This finding highlights the importance of psychological well-being, supportive work environments, and manageable workloads in shaping employees' work experiences. Employee well-being reflects employees' psychological and emotional conditions within the workplace environment [36]. Organizations that prioritize employee well-being are more likely to create positive work environments that enhance employee satisfaction and performance.

Empirical research also supports the importance of employee well-being in shaping employee attitudes. Subagyo et al. [9] found that excessive workloads significantly increase employees' intention to leave their jobs, indicating the importance of maintaining healthy workplace conditions. Other studies also emphasize that supportive work environments contribute significantly to employee satisfaction and retention [37], [39]. In the context of the financing industry, where employees often face high performance targets, maintaining employee well-being becomes particularly important in sustaining job satisfaction among Generation Z employees.

The results also indicate that work-life balance has a significant positive influence on job satisfaction. Work-life balance refers to the ability of employees to maintain equilibrium between professional responsibilities and personal life demands [31]. When organizations support employees in achieving this balance, employees tend to develop more positive attitudes toward their work environment.

Previous studies also confirm the importance of work-life balance in shaping employee attitudes. Putra and Widigdo [32] found that work-life balance significantly influences employee engagement and job satisfaction. These findings suggest that organizations that provide flexible work arrangements and realistic workload expectations are more likely to improve employee satisfaction. For Generation Z employees, work-life balance has become an increasingly important factor when evaluating workplace conditions because this generation tends to prioritize personal well-being and flexibility.

However, the results indicate that employee engagement does not have a significant effect on job satisfaction in this study. Although previous research suggests that employee engagement is positively associated with job satisfaction and organizational commitment [25], the findings of this study indicate that engagement alone may not be sufficient to enhance job

satisfaction if other organizational conditions, such as workload management, career opportunities, or workplace support, are not adequately addressed.

D. Results of Testing the Effect on Turnover Intention

The results of hypothesis testing indicate that career development, employee engagement, and work-life balance do not have a significant direct effect on turnover intention among Generation Z employees at PT Federal International Finance. Although the direction of the relationship between these variables and turnover intention tends to be negative, the magnitude of the relationship is not statistically strong enough to confirm a direct influence.

From a theoretical perspective, turnover intention is often explained through the organizational equilibrium concept, which suggests that employees tend to leave an organization when the perceived rewards and opportunities no longer match their personal contributions and expectations [12]. However, in the context of Generation Z employees, career mobility may not always reflect dissatisfaction with the workplace but may instead represent a strategic decision related to career exploration.

Previous studies have produced mixed findings regarding the determinants of turnover intention. Research conducted by Adelia et al. [4] indicates that job satisfaction, employee engagement, and emotional exhaustion significantly influence employees' intention to leave the organization. Similarly, Halim and Antolis [5] highlight that factors such as work-life balance, career development, and job satisfaction can shape turnover intention in the financial sector.

However, other studies suggest that turnover intention among younger employees may also be influenced by broader external factors. For instance, Prasetyo et al. [7] identified unclear career paths as an important driver of employee turnover, while Damayanti and Wulansari [8] found that compensation and non-physical aspects of the work environment significantly influence employee turnover levels.

The results of this study also show that job satisfaction does not significantly influence turnover intention. While traditional human resource theories often assume that job satisfaction directly reduces employees' intention to leave, recent research indicates that Generation Z employees tend to view job mobility as part of their career exploration process [10], [11]. This suggests that younger employees may prioritize opportunities for skill development, learning, and career advancement rather than long-term stability within a single organization.

E. Explain the Model

The structural model evaluation shows that the combination of career development, employee engagement, employee well-being, and work-life balance explains approximately 79 percent of the variation in job satisfaction among Generation Z employees at PT Federal

International Finance. This relatively high explanatory power indicates that internal organizational factors play a significant role in shaping the job satisfaction of young employees.

Previous studies also highlight the importance of internal organizational practices in shaping employee attitudes and workplace satisfaction. Organizational support for career development and employee well-being has been shown to significantly improve employee satisfaction and engagement [20], [21]. Similarly, work-life balance policies have been identified as important determinants of employees' perceptions of workplace quality [31], [32].

However, the explanatory power of the model for turnover intention is relatively low, indicating that turnover intention is influenced by multiple factors beyond those included in this study. Previous research suggests that labor market conditions, career aspirations, and generational work values may significantly influence employees' decisions to leave their organizations [15], [16].

These findings highlight the distinction between the determinants of job satisfaction and the determinants of turnover intention. While job satisfaction is strongly influenced by internal organizational practices, turnover intention appears to be influenced by a broader combination of internal and external factors.

Contribution

The findings of this study provide important insights into the factors influencing job satisfaction and turnover intention among Generation Z employees in the financing industry. One of the most important findings is that employee well-being emerges as the most influential factor in shaping job satisfaction.

Employee well-being reflects employees' psychological and emotional experiences within the workplace environment. Organizations that provide supportive work environments, manageable workloads, and positive organizational cultures are more likely to create favorable work experiences for employees [36]. Previous research also highlights that employee well-being significantly contributes to employee satisfaction and organizational commitment [37], [39].

In addition to employee well-being, career development and work-life balance also contribute significantly to job satisfaction. These findings reinforce previous research that emphasizes the importance of career opportunities and balanced work environments in shaping employees' perceptions of their workplace [7], [31].

From a theoretical perspective, this study contributes to the literature by demonstrating that the relationship between job satisfaction and turnover intention among Generation Z employees may differ from that observed in previous generations. Traditional theories often assume that job satisfaction directly reduces turnover intention; however, the

findings of this study suggest that job satisfaction may not always function as a direct retention factor for Generation Z employees.

Instead, Generation Z employees tend to adopt a more dynamic approach to career development, seeking opportunities that allow them to expand their skills and gain new experiences. Therefore, the decision to change jobs may not necessarily reflect dissatisfaction with the current workplace but may instead represent a proactive career strategy.

Empirically, this study contributes to the literature by providing evidence from Indonesia's financing industry, which remains relatively underexplored in studies on Generation Z workforce behavior. By integrating career development, employee engagement, employee well-being, and work-life balance into a single structural model, this study provides a more comprehensive understanding of the factors influencing job satisfaction and turnover intention among young employees.

Conclusion

This research focuses on deciphering the nexus between *employee engagement*, *employee well-being*, *career development*, and *work-life balance* on turnover intention among Generation Z employees at PT Federal International Finance. Specifically, this study is designed to investigate the role of *job satisfaction* as a mediating variable in bridging the influence of internal organizational factors on *turnover intention*. Through the application of this analytical lens, the research aims to unpack the multifaceted relationship between job fulfillment and attrition tendencies within the youth segment of the financial services sector.

Study results indicate that employee well-being, career development, and work-life balance positively impact job satisfaction. These findings confirm that the job satisfaction of Generation Z employees at PT FIF mainly stems from their perception of adequate work well-being, clarity and continuity of career paths, and the ability to balance work demands with personal life. Among these three factors, *employee well-being* has been proven to be the most dominant element in driving increased job satisfaction, which shows Generation Z's high sensitivity to aspects of mental health, workload, and workplace support.

Conversely, *employee engagement* did not show a significant impact on *job satisfaction*. The outcome underscores that emotional and cognitive attachment to the organization does not necessarily reflect the job satisfaction felt by young employees, especially when not accompanied by a balanced work system and attention to individual well-being. In addition, the results also show that *career development*, *employee engagement*, and *work-life balance* do not have a significant direct impact on *turnover intention*.

Furthermore, *job satisfaction* was not confirmed to have a mediating function in the tested model. This finding reinforces the indication that job satisfaction does not automatically act as a factor in retaining Generation Z employees. Thus, Evidence derived from the current

analysis confirms a shift in career decision-making patterns among Generation Z, where job mobility is not always triggered by job dissatisfaction, but rather by career exploration orientation, the search for new experiences, and consideration of broader external opportunities.

The structural model tested in this study has excellent explanatory power for the *job satisfaction* variable, as reflected in the high *R-squared* value. However, the model's predictive power for *turnover intention* is relatively limited. This limitation indicates that the turnover intention of Generation Z employees at PT FIF is a complex phenomenon influenced by various external factors that are not fully covered in the research model, such as labor market dynamics, developments in the financial industry, personal career aspirations, and preferences for flexibility and accelerated career growth.

Overall, this study concludes that PT FIF's human resource management strategy needs to focus more on strengthening employee welfare programs, structured and transparent career development, and implementing work policies that support work-life balance. These findings indicate that efforts to increase job satisfaction alone are not effective enough in reducing Generation Z's intention to leave the company without being accompanied by more comprehensive and adaptive retention strategies tailored to the characteristics of the younger generation. Thus, organizations in the financing sector need to design human resource policies that are not only oriented towards internal satisfaction, but also in line with the career dynamics and long-term expectations of Generation Z.

Conflict of Interest

The authors declare no conflict of interest.

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