ABSTRACT

The increasingly competitive business landscape presents a major challenge for companies, particularly in the aviation industry, to maintain the stability and loyalty of their human resources. PT AAA, a low-cost carrier (LCC) airline company in Indonesia, has experienced a rise in employee turnover, which can negatively affect organizational productivity and effectiveness. Several factors contributing to the increased turnover at PT AAA include dissatisfaction with compensation, an imbalance between work and personal life (work-life balance), and a decline in employee well-being. Given these factors, the company must be vigilant in identifying employees with turnover intentions before actual resignations occur.

This study aims to analyze the extent to which compensation, work-life balance, and employee well-being influence turnover intention among employees at PT AAA. The findings of this research are also expected to provide strategic recommendations for the company to address and improve the factors that contribute to rising turnover rates.

This research method was conducted with quantitative research using both descriptive and causal analyses. The sample consists of 330 respondents selected from the total population of active employees at PT AAA. The sampling technique used is probability sampling with proportionate stratified random sampling, dividing the sample proportionally into three categories: ground staff (back office), pilots, and cabin crew. Data were collected through questionnaires distributed to active employees, and the analysis was conducted using structural equation modeling (SEM-PLS).

The results indicate that compensation, work-life balance, and employee well-being have a significant negative effect on turnover intention. This means that improvements in compensation, work-life balance, and employee well-being are associated with a lower likelihood of employees intending to leave the company.

These findings suggest that PT AAA must continuously evaluate and strengthen its compensation system, work-life balance policies, and employee wellbeing programs in a sustainable manner. Doing so is essential not only for maintaining organizational stability and performance but also for increasing employee retention.

Keywords: Compensation, Work-Life Balance (WLB), Employee Well-being, Turnover Intention, LCC (Low Cost Carrier)