
The Effect of Transformational Leadership Style and Work Environment on Turnover Intention Through Work Engagement

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ABSTRAK

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Pada era globalisasi dan perkembangan dunia kerja yang semakin dinamis, organisasi dituntut mampu mengelola sumber daya manusia secara efektif untuk menjaga keberlangsungan usaha. Salah satu tantangan utama dalam pengelolaan sumber daya manusia adalah tingginya *turnover intention*, yaitu kecenderungan karyawan untuk meninggalkan perusahaan. Kondisi ini perlu diperhatikan karena dapat berdampak pada produktivitas, stabilitas organisasi, biaya rekrutmen, kebutuhan pelatihan ulang, dan efektivitas kerja tim. Penelitian ini bertujuan untuk menganalisis pengaruh gaya kepemimpinan transformasional dan lingkungan kerja terhadap *turnover intention* melalui *work engagement* pada karyawan PT. XYZ di Bekasi. Penelitian ini menggunakan pendekatan kuantitatif dengan metode analisis *Structural Equation Modeling* berbasis *Partial Least Squares* (SEM-PLS) melalui perangkat lunak SmartPLS. Sampel penelitian berjumlah 50 responden yang ditentukan menggunakan teknik sampel jenuh. Variabel penelitian terdiri dari gaya kepemimpinan transformasional dan lingkungan kerja sebagai variabel independen, *work engagement* sebagai variabel mediasi, serta *turnover intention* sebagai variabel dependen. Pengujian dilakukan melalui evaluasi *outer model*, *inner model*, dan uji hipotesis berdasarkan nilai *t-statistic* dan *p-value* pada tingkat signifikansi 5%. Penelitian ini diharapkan memberikan pemahaman mengenai pentingnya kepemimpinan, lingkungan kerja, dan keterikatan kerja dalam menekan *turnover intention* karyawan.

Kata Kunci: Gaya Kepemimpinan Transformasional, Lingkungan Kerja, Work Engagement, Turnover Intention, Retensi Karyawan.

ABSTRACT

In the era of globalization and the increasingly dynamic development of the world of work, organizations are required to be able to manage human resources effectively to maintain business continuity. One of the main challenges in human resource management is high turnover intention, namely the tendency of employees to leave the company. This condition needs to be considered because it can have an impact on productivity, organizational stability, recruitment costs, retraining needs, and team work effectiveness. This study aims to analyze the influence of transformational leadership style and work environment on turnover intention through work engagement among employees of PT. XYZ in Bekasi. This study uses a quantitative approach with the Partial Least Squares-based Structural Equation Modeling (SEM-PLS) analysis method through SmartPLS software. The research sample consisted of 50 respondents who were determined using the saturated sampling

technique. The research variables consist of transformational leadership style and work environment as independent variables, work engagement as a mediating variable, and turnover intention as the dependent variable. Testing was conducted through the evaluation of the outer model, inner model, and hypothesis testing based on t-statistic and p-value values at a significance level of 5%. This study is expected to provide an understanding of the importance of leadership, work environment, and work engagement in reducing employee turnover intention.

Keywords: Transformational Leadership Style, Work Environment, Work Engagement, Turnover Intention, Employee Retention.

INTRODUCTION

In the era of globalization, companies face increasingly intense competition, requiring them to implement effective human resource management strategies. The challenges faced by companies are not only related to operational efficiency and target achievement but also to their ability to retain employees so that they remain productive, engaged, and willing to stay within the organization. This issue has become increasingly important because low employee engagement remains a global concern. Gallup reported that low employee engagement resulted in approximately US\$8.9 trillion in lost global economic productivity, equivalent to 9% of global GDP in 2024. This condition indicates that employee engagement is not merely an individual psychological issue but is also directly related to organizational productivity and sustainability. (Gallup, 2024).

In Indonesia, the issue of employee engagement is also relevant to consider. The latest Gallup data show that 27% of employees in Indonesia are categorized as engaged at work, higher than the Southeast Asian average of 25% and the global average of 20%. However, this figure also indicates that the majority of employees are still not fully engaged with their work. This condition can become a challenge for companies because low work engagement can weaken commitment, reduce productivity, and increase employees' tendency to seek other job opportunities. (Gallup, 2026).

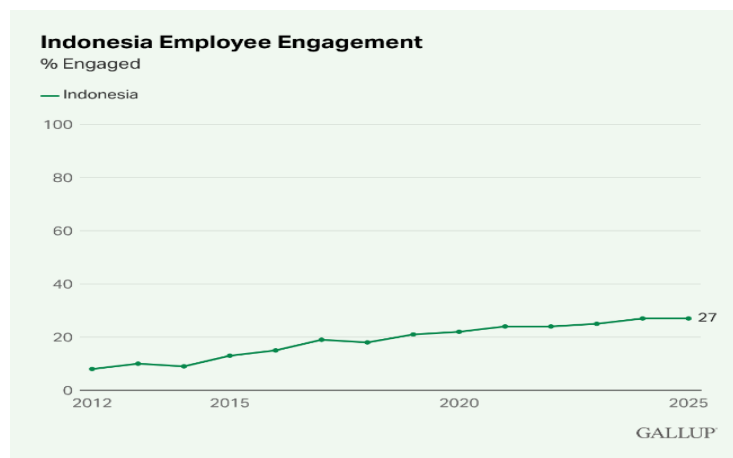


Figure 1. Employee Engagement in Indonesia

In the manufacturing industry, human resource stability plays a very important role because work processes are highly dependent on coordination, discipline, skills, and workforce continuity (Yuzalmi et al., 2023). Manufacturing companies require employees who are not only capable of carrying out technical tasks but also have engagement with their work and organization. When employee engagement is low, companies are at risk of facing decreased productivity, disruption in target achievement, and increased turnover intention. Therefore, the issue of turnover intention in manufacturing companies needs to be positioned as part of the challenges of human resource management related to leadership, the work environment, and work engagement.

Workforce stability can be disrupted when employees begin to have the intention to leave the company. This condition is known as turnover intention, namely the tendency of employees to leave their jobs or seek employment opportunities elsewhere. Turnover intention needs to be considered because it can lead to increased recruitment costs, the need to train new employees, disruptions to work processes, and decreased team effectiveness. In manufacturing companies, this issue becomes more complex because employee turnover can affect the continuity of production processes and the achievement of operational targets.

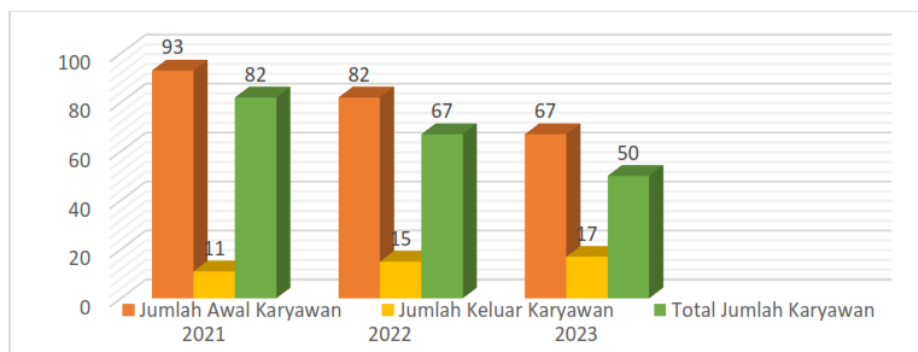


Figure 2. Number of Employees at PT. XYZ in Bekasi, 2021–2023

The issue of turnover intention is also reflected in the condition of employees at PT. XYZ in Bekasi. Based on the results of observations and interviews with the HRD, the number of employees showed a declining trend over the past three years, as presented in Figure 1. In 2021, the company had 93 employees at the beginning of the year, then 11 employees left, resulting in a final total of 82 employees. In 2022, the number of employees decreased again from 82 to 67 after 15 employees left. Furthermore, in 2023, the number of employees decreased from 67 to 50, with 17 employees leaving. This pattern indicates that the company faces an employee retention issue that needs to be associated with organizational factors, particularly transformational leadership style and the work environment.

The results of the initial observations indicate that the increasing number of employees leaving is suspected to be related to supervisors' leadership styles that pay insufficient attention to employees, minimal communication between supervisors and subordinates, a lack of appreciation for work achievements, and the emergence of conflicts in work relationships. In addition, a less supportive work environment is also a factor that has emerged in the company's

situation, such as inadequate work facilities, uncomfortable workspaces, less harmonious relationships among coworkers, poor communication, and low levels of cooperation among team members. These conditions can reduce work comfort and weaken employees' psychological connection with their work, making leadership and work environment factors important to be positioned as the main focus of the study.

According to Nugroho (2018), leadership style is a pattern of behavior applied by leaders to influence their subordinates so that they are able to optimize individual performance and achieve organizational goals. In this regard, transformational leadership style is one of the factors that can explain the emergence of turnover intention because leaders play a role in shaping employees' motivation, communication, support, and trust in the organization. Transformational leaders are able to change followers' perspectives on various issues by helping them view problems from a new perspective, while also fostering enthusiasm and inspiration to make extra efforts in achieving organizational goals (Suhakim & Badriyanto, 2021). When employees feel that they receive attention, support, and motivation from their leaders, they tend to have stronger engagement with their work and organization, thereby reducing their intention to leave the company. Nevertheless, the role of leadership does not stand alone because employees' work experiences are also influenced by the conditions of the work environment they face every day.

Furthermore, in addition to leadership style, the work environment is also one of the factors that can influence employee turnover intention (Yilmaz & Seren İntepeler, 2023). A conducive work environment can make employees feel safe, comfortable, and supported in carrying out their work. The work environment not only includes physical facilities but also relationships among employees, communication, supervisor support, and the work atmosphere. Employees who work in a good work environment will be encouraged to complete their responsibilities properly as well (Soekatjo & Lestari, 2024). Meanwhile, employees who complete their tasks in a poor work environment will obtain less than optimal results that do not meet the company's expectations (Tambunan, 2018). The relationship between leadership, the work environment, and turnover intention can then be understood more deeply through employees' psychological conditions at work.

In this study, work engagement is positioned as a mediating variable that explains how transformational leadership style and the work environment can influence turnover intention. Work engagement reflects employees' attachment to their work, as demonstrated by enthusiasm, dedication, and involvement in carrying out tasks. Inspirational leadership and a conducive work environment can increase employee work engagement. Employees with high work engagement tend to be more enthusiastic, more dedicated, and more involved in their work, thereby reducing their intention to leave the company. The position of work engagement as a mediating variable is relevant because previous studies regarding the direct relationship between transformational leadership, the work environment, and turnover intention have shown inconsistent results.

Support for the mediating role of engagement is evident in the study conducted by (Nabillah & Wahyuningsih, 2023) which analyzed the influence of transformational leadership on turnover intention through employee engagement. The study showed that transformational

leadership had a significant positive effect on employee engagement, employee engagement had a significant negative effect on turnover intention, and employee engagement mediated the influence of transformational leadership on turnover intention. These findings reinforce that engagement can serve as a psychological mechanism that explains how transformational leadership reduces employees' tendency to leave the organization.

However, the relationship between transformational leadership and turnover intention does not always show a significant direct effect. (Apriliani et al., 2025) found that transformational leadership did not have a direct effect on turnover intention but had an indirect effect through reduced work stress and increased organizational commitment. The study also showed that the indirect pathway from work stress to turnover intention through organizational commitment, as well as the dual mediation pathway, was not significant. These findings indicate that the relationship between transformational leadership and turnover intention needs to be explained through a mediation mechanism that is appropriate to employees' psychological conditions.

Previous studies have shown differences in findings regarding the effects of transformational leadership style and the work environment on turnover intention. (Abdulah & Badrianto, 2023) stated that transformational leadership style had a positive and significant effect on turnover intention, whereas (Sumari & Malino, 2023) found that transformational leadership style had a negative and significant effect on turnover intention. Regarding the work environment variable, (Ussu et al., 2023) stated that the work environment had a positive and significant effect on turnover intention, whereas (Purwati & sisilia maricy, 2021) showed that the work environment did not have a significant effect on turnover intention. These differences in findings provide an opportunity to position work engagement as a mechanism that can explain how transformational leadership and the work environment shape employees' tendency to remain with or leave the company.

Based on the description above, this study analyzes the effects of transformational leadership style and the work environment on turnover intention through work engagement among employees of PT. XYZ in Bekasi. This study is directed toward providing an understanding of the importance of supportive leadership, a conducive work environment, and employee work engagement in reducing employees' tendency to leave the company.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Turnover Intention

Turnover intention is an important issue in human resource management because it reflects employees' tendency to leave the organization. Within an organization, turnover intention not only indicates an individual's desire to seek another job but also serves as a signal of problems in the relationship between employees and the company. Mobley et al. (1978) in (Rostandi & Senen, 2021) explained that turnover intention is an employee's tendency or intention to voluntarily stop working or move from one workplace to another according to their own choice. In this regard, turnover intention indicates the presence of an employee's psychological drive to leave the organization before the decision to leave actually occurs.

Turnover intention can be influenced by organizational factors and working conditions perceived by employees. Tedjo (2016) in (Halim & Antolis, 2021) explained that factors that can influence turnover intention include work stress, employee relations, compensation, work environment, job satisfaction, organizational culture, and organizational commitment. In this study, the factors used to explain turnover intention are focused on transformational leadership style and the work environment, while work engagement is positioned as a psychological mechanism that explains the relationship between organizational factors and employees' tendency to remain with or leave the company.

High turnover intention can have negative impacts on organizations, especially manufacturing companies that require workforce stability and continuity of operational processes. When employees have the intention to leave, companies may potentially face disruptions in productivity, recruitment costs, retraining needs, and weakened team effectiveness. Therefore, turnover intention in this study is positioned as the main variable influenced by transformational leadership style, the work environment, and work engagement..

Transformational Leadership

Transformational leadership is an important organizational factor in shaping employee attitudes and behavior. Transformational leaders not only provide work instructions but also build inspiration, motivation, individualized consideration, and encouragement for employees to develop. In the previous manuscript, transformational leadership was described as a leadership style that inspires followers to do something beyond their personal interests for the benefit of the organization. This leadership is also directed at shaping employees' mindsets to be more oriented toward organizational interests and the achievement of shared goals.

Transformational leadership can increase work engagement because employees who feel supported, appreciated, and given clear direction tend to have stronger engagement with their work. Leaders who provide inspiration and individualized consideration can make employees feel that their work is meaningful, thereby increasing their energy, dedication, and involvement in their work (Prastyani et al., 2023). Research by (Nabillah & Wahyuningsih, 2023) also showed that transformational leadership had a significant positive effect on employee engagement.

In addition to influencing work engagement, transformational leadership can also influence turnover intention. Employees who experience supportive leadership tend to have greater trust in the organization and a lower intention to leave the company. However, the results of previous studies have not been entirely consistent. In the previous research document, (Abdulah & Badrianto, 2023) found that transformational leadership style had a positive and significant effect on turnover intention, whereas (Sumari & Malino, 2023) menemukan pengaruh negatif dan signifikan terhadap turnover intention. Perbedaan hasil These findings indicate that the effect of transformational leadership on turnover intention needs to be explained through employees' psychological conditions, one of which is work engagement.

H1: Transformational leadership style has a positive effect on work engagement.

H2: Transformational leadership style has a positive effect on turnover intention.

Work Environment

The work environment is an organizational factor that shapes employees' comfort and experience in carrying out their work. The work environment not only includes physical aspects such as facilities, workspace, lighting, and work equipment, but also non-physical aspects such as communication, relationships with coworkers, supervisor support, and the work atmosphere. In the previous manuscript, the work environment was described as everything surrounding employees that can influence the implementation of tasks. A comfortable work environment can increase employee productivity and commitment to the company. A conducive work environment can increase work engagement because employees feel safe, comfortable, and supported in completing their work. Adequate facilities, harmonious work relationships, good communication, and support from supervisors and coworkers can strengthen employees' energy and involvement in their work. Conversely, an uncomfortable work environment can reduce work enthusiasm and weaken employees' engagement with their work. Research on the work environment and turnover intention also shows that the work environment can be examined together with employee engagement as a mediating variable because working conditions perceived by employees can shape work engagement before influencing turnover intention (Pratama, 2025).

The work environment can also influence turnover intention. When employees perceive an unconducive work environment, they are more likely to experience discomfort and have a tendency to seek other employment. The results of previous studies show that the relationship between the work environment and turnover intention has not been entirely consistent. (Ussu et al., 2023) found that the work environment had a positive and significant effect on turnover intention, whereas (Purwati & sisilia maricy, 2021) showed that the work environment did not have a significant effect on turnover intention. These differences reinforce the need for work engagement as a mechanism that explains how the work environment can shape employees' intention to remain with or leave the organization.

H3: The work environment has a positive effect on work engagement.

H4: The work environment has a positive effect on turnover intention.

Work Engagement

Work engagement is a positive psychological condition that indicates employees' engagement with their work. Employees with high work engagement usually demonstrate strong enthusiasm, dedication, and involvement in carrying out their tasks (Schaufeli, 2021). In this study, work engagement is an important variable because it explains how organizational factors such as transformational leadership and the work environment can reduce turnover intention. Work engagement plays a role in reducing turnover intention because employees who are engaged with their work tend to feel that their work is meaningful, have higher work energy, and demonstrate a greater intention to remain in the organization. Research by (Zhu et al., 2023) showed that work engagement is related to turnover intention, while Kurniawati's study found a negative correlation between work engagement and turnover intention among employees in the Asian region. Research by (Nabillah & Wahyuningsih, 2023) also showed that employee engagement had a significant negative effect on turnover intention.

In the relationship between transformational leadership and turnover intention, work engagement can function as a psychological mechanism that bridges the influence of leadership on employees' intention to leave. Transformational leaders can increase engagement through inspiration, individualized consideration, support, and clarity of work direction. Employees who feel supported by their leaders then become more involved in their work and have a lower tendency to leave the company (Ayu Dina & Tjahjono, 2023). Research by (Nabillah & Wahyuningsih, 2023) found that employee engagement mediated the effect of transformational leadership on turnover intention.

However, the relationship between transformational leadership and turnover intention does not always show a simple pattern. (Apriliani et al., 2025) found that transformational leadership did not have a direct effect on turnover intention but had an indirect effect through work stress and organizational commitment. The study also showed that several mediation pathways, such as the pathway from work stress to turnover intention through organizational commitment and the dual mediation pathway, were not significant. These findings reinforce that the relationship between leadership and turnover intention needs to be explained through a mediation mechanism that is appropriate to employees' psychological conditions.

Work engagement can also bridge the effect of the work environment on turnover intention. A comfortable and supportive work environment can increase employees' sense of security, involvement, and dedication to their work. When work engagement increases, employees tend to have a lower intention to leave the company. Thus, work engagement not only serves as an outcome of transformational leadership and the work environment but also as a mechanism that connects organizational factors with turnover intention.

H5: Work engagement has a positive effect on turnover intention.

H6: Work engagement mediates the effect of transformational leadership style on turnover intention.

H7: Work engagement mediates the effect of the work environment on turnover intention.

RESEARCH METHOD

This study uses a quantitative approach with a causal research design to analyze direct and indirect relationships among variables. The quantitative approach was selected because this study aims to test hypotheses based on numerical data obtained from respondents. The variables in this study consist of two independent variables, one mediating variable, and one dependent variable. The independent variables include transformational leadership style (X1) and the work environment (X2), while work engagement (Z) is designated as the mediating variable. Meanwhile, turnover intention (Y) is designated as the dependent variable. Thus, this study examines the effects of transformational leadership style and the work environment on turnover intention, both directly and indirectly through work engagement.

The population in this study consists of all 103 employees of PT. XYZ in Bekasi. The sampling technique uses the saturated sampling method, in which all members of the population are included as the research sample because the population size is relatively limited. The data

used consist of primary and secondary data. Primary data were obtained through questionnaires distributed to respondents, while secondary data were obtained from literature, company documents, and relevant previous studies. Data collection techniques were conducted through observation, literature review, and questionnaires. The collected data were analyzed using the Partial Least Squares-based Structural Equation Modeling (SEM-PLS) approach with the assistance of SmartPLS software. The stages of analysis include the evaluation of the outer model to test construct validity and reliability, the evaluation of the inner model to assess relationships among variables, and hypothesis testing through t-statistic and p-value values at a significance level of 5%. A hypothesis is declared accepted when the t-statistic value is > 1.96 and the p-value is < 0.05 .

RESULTS AND DISCUSSION

Tabel 1. Construct Reliability and Validity

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Engagement	0,861	0,863	0,906	0,707
Transformational Leadership	0,881	0,882	0,919	0,739
Turnover Intention	0,879	0,881	0,917	0,734
Work Environment	0,876	0,877	0,915	0,729

Based on the table, all research variables have Cronbach's Alpha, rho_A, and Composite Reliability values above 0.70. The Cronbach's Alpha values range from 0.861-0.881, the rho_A values range from 0.863-0.882, and the Composite Reliability values range from 0.906-0.919. Thus, all indicators used in this study are declared reliable because they have a good level of internal consistency.

Convergent validity testing was conducted using the Average Variance Extracted (AVE) value with a criterion above 0.50. The test results show that the AVE values of all variables range from 0.707-0.739. Therefore, all indicators and variables in this study are declared valid and meet the criteria for convergent validity.

Tabel 2. Path Coefficients

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
Transformational Leadership -> Engagement	0,276	0,280	0,104	2,665	0,008

Transformational Leadership -> Turnover Intention	0,377	0,382	0,075	5,018	0,000
Work Environment -> Engagement	0,583	0,583	0,106	5,503	0,000
Work Environment -> Turnover Intention	0,175	0,170	0,113	1,543	0,123
Engagement -> Turnover Intention	0,423	0,424	0,112	3,785	0,000

Source: Research results processed with Smart PLS 3.0 2026

Based on the path coefficient testing results, the original sample, T-statistics, and P-values are used as the basis for determining the acceptance or rejection of the hypotheses. A hypothesis is declared accepted if the T-statistics value is > 1.96 or the P-value is < 0.05 .

1. The first hypothesis states that transformational leadership style has a positive effect on work engagement. The test results show a T-statistics value of $2.665 > 1.96$ and a P-value of $0.008 < 0.05$. The original sample value of 0.276 indicates a positive direction of the relationship. Thus, transformational leadership style has a positive and significant effect on work engagement, so H1 is accepted.
2. The second hypothesis states that transformational leadership style has a positive effect on turnover intention. The test results show a T-statistics value of $5.018 > 1.96$ and a P-value of $0.000 < 0.05$. The original sample value of 0.377 indicates a positive direction of the relationship. Thus, transformational leadership style has a positive and significant effect on turnover intention, so H2 is accepted.
3. The third hypothesis states that the work environment has a positive effect on work engagement. The test results show a T-statistics value of $5.503 > 1.96$ and a P-value of $0.000 < 0.05$. The original sample value of 0.583 indicates a positive direction of the relationship. Thus, the work environment has a positive and significant effect on work engagement, so H3 is accepted.
4. The fourth hypothesis states that the work environment has a positive effect on turnover intention. The test results show a T-statistics value of $1.543 < 1.96$ and a P-value of $0.123 > 0.05$. The original sample value of 0.175 indicates a positive direction of the relationship, but the effect is not significant. This means that an increase or decrease in the work environment does not result in a significant change in turnover intention. Thus, H4 is rejected.
5. The fifth hypothesis states that work engagement has a positive effect on turnover intention. The test results show a T-statistics value of $3.785 > 1.96$ and a P-value of $0.000 < 0.05$. The original sample value of 0.423 indicates a positive direction of the relationship.

Thus, work engagement has a positive and significant effect on turnover intention, so H5 is accepted.

Tabel 3 Indirect Influence Analysis (Mediation)

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Transformational Leadership -> Engagement -> Turnover Intention	0,117	0,117	0,051	2,288	0,022
Work Environment -> Engagement -> Turnover Intention	0,247	0,248	0,084	2,943	0,003

Based on the table of indirect effect testing results, the T-statistics and P-values are used to determine the significance of the mediating role. The indirect effect is declared significant if the T-statistics value is > 1.96 and the P-value is < 0.05 .

1. The sixth hypothesis states that work engagement mediates the effect of transformational leadership style on turnover intention. The test results show a T-statistics value of $2.288 > 1.96$ and a P-value of $0.022 < 0.05$. The original sample value of 0.117 indicates that the indirect effect has a positive direction. Because the direct effect of transformational leadership style on turnover intention is also significant, work engagement acts as a partial mediator. Thus, H6 is accepted.
2. The seventh hypothesis states that work engagement mediates the effect of the work environment on turnover intention. The test results show a T-statistics value of $2.943 > 1.96$ and a P-value of $0.003 < 0.05$. The original sample value of 0.247 indicates that the indirect effect has a positive direction. Meanwhile, the direct effect of the work environment on turnover intention is not significant. Therefore, work engagement acts as a full mediator in the relationship between the work environment and turnover intention. Thus, H7 is accepted.

Discussion

The findings of this study demonstrate that transformational leadership style and work environment play different roles in shaping employees' turnover intention through work engagement. The results indicate that work engagement serves as an important psychological mechanism explaining how organizational conditions influence employees' decisions to remain in or leave the organization. These findings enrich the growing body of literature emphasizing that employee turnover is not solely determined by organizational practices but also by employees' psychological attachment to their work.

The first finding confirms that transformational leadership has a positive and significant effect on work engagement. This indicates that leaders who provide inspiration, individualized

consideration, intellectual stimulation, and motivational support are capable of strengthening employees' emotional attachment toward their work. Employees who perceive their leaders as supportive tend to experience greater enthusiasm, dedication, and absorption while performing their duties. This result supports Social Exchange Theory, which argues that employees reciprocate positive treatment from organizational leaders through stronger psychological commitment and higher engagement. When employees receive trust, appreciation, and developmental opportunities from their supervisors, they are more willing to invest their energy and effort in organizational activities. This finding is consistent with Schaufeli (2021), who emphasized that engaging leadership creates meaningful work experiences that increase employee engagement. Likewise, Prastyani et al. (2023) and Nabillah and Wahyuningsih (2023) reported that transformational leadership significantly enhances employee engagement by fostering motivation, empowerment, and psychological safety.

Interestingly, transformational leadership also shows a positive and significant direct effect on turnover intention. Although statistically significant, the positive direction differs from the dominant theoretical expectation that transformational leadership should reduce employees' intention to leave. One possible explanation is that transformational leaders encourage employees to continuously develop their competencies, confidence, and career aspirations. Employees who experience intensive development under transformational leadership may become more attractive in the labor market and consequently have greater mobility. In manufacturing organizations where career advancement opportunities remain limited, highly capable employees may perceive external organizations as offering better career prospects. This finding supports Abdullah and Badrianto (2023), who also reported a positive association between transformational leadership and turnover intention, although it contradicts studies conducted by Sumari and Malino (2023). These inconsistencies suggest that leadership effectiveness depends heavily on organizational context, career systems, reward structures, and promotion opportunities.

The study further reveals that the work environment has a strong positive effect on work engagement. This result indicates that employees become more psychologically attached to their work when they experience comfortable physical facilities, supportive interpersonal relationships, effective communication, and harmonious teamwork. According to the Job Demands–Resources (JD-R) Model, organizational resources such as supportive working conditions increase employees' motivation and engagement because they reduce work strain while enhancing personal growth and job satisfaction. Therefore, a conducive work environment functions not merely as a physical resource but also as an important psychological resource that enables employees to perform effectively. This finding is consistent with previous studies demonstrating that supportive work environments foster higher employee engagement and organizational commitment.

However, the work environment does not significantly influence turnover intention directly. This finding suggests that employees do not immediately decide to leave the organization simply because of workplace conditions. Instead, employees first evaluate whether those conditions influence their psychological experience of work. Manufacturing employees may tolerate

unfavorable physical or social environments as long as employment security, compensation, and career opportunities remain satisfactory. Consequently, work environment affects turnover intention indirectly through employees' psychological engagement rather than through a direct behavioral mechanism. This finding supports Purwati and Sisilia Maricy (2021), who also found no significant direct relationship between work environment and turnover intention, while differing from Ussu et al. (2023), who reported a significant effect.

Another interesting finding concerns work engagement itself. The statistical analysis indicates that work engagement positively influences turnover intention. Conceptually, previous studies generally report a negative relationship between work engagement and turnover intention, suggesting that highly engaged employees are less likely to leave their organizations. Therefore, the positive coefficient found in this study deserves careful interpretation. One possible explanation is that highly engaged employees continuously develop valuable competencies, stronger professional confidence, and broader career ambitions. When organizational career advancement, compensation systems, or promotion opportunities fail to match these expectations, highly engaged employees may become more inclined to pursue alternative employment despite maintaining strong involvement in their current work. This phenomenon may occur particularly in manufacturing organizations where career structures are relatively rigid. Therefore, engagement alone is insufficient to ensure employee retention unless accompanied by attractive career development, recognition, and reward systems.

The mediation analysis provides further insight into these relationships. Work engagement partially mediates the relationship between transformational leadership and turnover intention. This indicates that transformational leadership influences turnover intention both directly and indirectly through employees' psychological attachment to their work. Leaders not only affect employees' intention to stay through motivational processes but may simultaneously shape career aspirations and self-development that encourage greater labor market mobility. Consequently, transformational leadership produces both motivational and behavioral consequences depending on organizational circumstances.

Furthermore, work engagement fully mediates the relationship between work environment and turnover intention. Since the direct relationship between work environment and turnover intention is insignificant, employees' perceptions of workplace conditions influence turnover intention only after those perceptions shape their level of engagement. This finding highlights that improving workplace facilities alone is insufficient to reduce employee turnover. Organizations must ensure that supportive work environments translate into stronger enthusiasm, dedication, and emotional attachment toward work. In other words, work engagement becomes the primary psychological pathway through which organizational resources influence employee retention.

Overall, this study contributes theoretically by demonstrating that work engagement represents a critical psychological mechanism linking transformational leadership and work environment with turnover intention. The findings suggest that organizational interventions aimed at reducing employee turnover should not focus exclusively on improving leadership behavior or workplace conditions but should also prioritize strengthening employees' psychological

engagement. From a managerial perspective, organizations should complement transformational leadership development with structured career planning, fair promotion systems, employee recognition programs, and meaningful work experiences. Likewise, investments in improving workplace conditions should be integrated with initiatives that foster employee involvement, participation, and organizational commitment so that favorable working conditions effectively contribute to long-term employee retention.

CONCLUSION

Transformational leadership style has a positive and significant effect on work engagement and turnover intention among employees of PT. XYZ in Bekasi. This means that the better the transformational leadership style implemented, the higher the employees' work engagement and turnover intention. The work environment also has a positive and significant effect on work engagement, so that a better and more conducive work environment can increase employees' involvement in their work. However, the work environment does not have a significant effect on turnover intention, which indicates that changes in working environment conditions do not directly affect employees' intention to leave the company.

Work engagement has a positive and significant effect on turnover intention among employees of PT. XYZ in Bekasi. In addition, work engagement is proven to partially mediate the effect of transformational leadership style on turnover intention and fully mediate the effect of the work environment on turnover intention. Thus, work engagement becomes an important variable that links transformational leadership style and the work environment with turnover intention among employees of PT. XYZ in Bekasi.

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