

**EMPLOYEE LOYALTY THROUGH ORGANIZATIONAL
FACTORS IN HUMAN RESOURCE MANAGEMENT
PRACTICES AT PERUM PERHUTANI DIVRE EAST JAVA**

THESIS



By:

HAFIDZ WAHYU RAMADHAN

NPM. 22024010037

**AGRIBUSINESS STUDY PROGRAM
FACULTY OF AGRICULTURE
NATIONAL DEVELOPMENT UNIVERSITY "VETERAN" EAST JAVA
SURABAYA
2026**

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By

HAFIDZ WAHYU RAMADHAN

NPM: 22024010037

Received on the date
20 May 2026

Approved by:

Lead Mentor

Accompanying Mentor

Prof. Dr. Ix Teguh Soedarto, M.P.
NIP. 19560620 198703 1 00 4

Mirza Andrian Syah, S.P., M.P.
NIP. 19960827 202203 1012

Knowing,

Agribusiness Study Program Coordinator

Dr. Ir. Nuriah Yulhati, M.P.
NIP. 19620712 199103 2001

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HAFIDZ WAHYU RAMADHAN

NPM: 22024010037

Has been defended before and approved by the Thesis Examination Committee

Agribusiness Study Program, Faculty of Agriculture

University Pembangunan Nasional "Veteran" Jawa Timur

20 May 2026

Approved by:

Lead Mentor

Accompanying Mentor

Prof. Dr. B. Teguh Soedarto, M.P.
NIP. 19560620 198703 1 00 4

Mirza Andrian Syah, S.P., M.P.
NIP. 19960827 202203 10 12

Acknowledged by:

Dean of the Faculty of Agriculture

Agribusiness Study Program
Coordinator

Prof. Dr. Ir. Wanti Mindari, M.P.
NIP. 19631208 1990032001

Dr. Ir. Nuriah Yulianti, M.P.
NIP. 19620712 199103 2001

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Name : Hafidz Wahyu Ramadhan
Student ID Number : 22024010037
Program : Bachelor's Degree (S1)
Study Program : Agribusiness
Faculty : Agriculture

Hereby declare that in this Final Project/Thesis scientific document, there is no part of any other scientific work that has been submitted to obtain an academic degree at any higher education institution, nor are there any works or opinions that have been written or published by other individuals/institutions, except those that are properly cited in this document and fully listed in the references.

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Thus, this statement letter is truthfully made without any coercion from any party and is intended to be used as appropriate.

Surabaya, May 2026



Hafidz Wahyu Ramadhan
NPM. 22024010037

FOREWORD

Praise be to the presence of God Almighty for all His graces, gifts, and guidance so that the author can compile and complete a thesis entitled "Employee Loyalty Through Organizational Factors in the Practice of Human Resource Management at Perum Perhutani Divre East Java" properly and smoothly. The preparation of this thesis is intended to meet the requirements to complete lectures in the Agribusiness Study Program at the Faculty of Agriculture, National Development University "Veteran" East Java. The author realizes that this thesis will not be completed without the support of various parties, especially Prof. Dr. Ir. Teguh Soedarto, M.P., as the main supervisor and Mirza Andrian Syah, S.P., M.P., as the accompanying supervisor who has provided a lot of direction, motivation, input, and spent his time and energy with patience and sincerity to guide the author. The author also expresses his gratitude to:

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beneath your feet will remain gentle yet strong as you move forward, and that all of us may forever remain under God's protection.

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The author realizes that this thesis still has shortcomings and is far from perfect. Therefore, the author really hopes for constructive criticism and suggestions for the improvement of this thesis in the future. Finally, the author hopes that this thesis can provide benefits for various parties, especially in the field of scientific development in the agricultural and agribusiness sectors.

Surabaya, May 2026

Author

EMPLOYEE LOYALTY THROUGH ORGANIZATIONAL FACTORS IN HUMAN RESOURCE MANAGEMENT PRACTICES AT PERUM PERHUTANI DIVRE EAST JAVA

Hafidz Wahyu Ramadhan, Teguh Soedarto, and Mirza Andrian Syah

ABSTRACT

This study aims to identify the human resource management mechanism at Perum Perhutani East Java Regional Division and analyze the influence of work-life balance, benefits, job satisfaction, and workload on employee loyalty. The background of the research is based on the phenomenon of high employee retention rates at Perum Perhutani Divre East Java, where 80% of employees have a working period of more than five years and 83.33% survive until retirement, which far exceeds the national average. The MSDM mechanism at Perum Perhutani Divre East Java was analyzed using the POAC (*Planning, Organizing, Actuating, Controlling*) approach which includes a workforce needs planning system, management of benefits and compensation based on Board of Directors Decree Number 400/KPTS/DIR/2015, a work-life balance program in the form of a comprehensive leave policy and flexibility of working hours, competency development through the Perhutani Forestry Institute (PeFI), and a transparent and objective Web IKAT digital-based performance assessment system. All of these mechanisms have been proven to form a conducive work environment and support employee welfare in a sustainable manner. The quantitative approach was used with purposive sampling and snowball sampling techniques involving 50 permanent employees as respondents. The analysis was carried out using Structural Equation Modeling Partial Least Square (SEM-PLS) with the help of SmartPLS 4. Evaluation of the outer model showed that all indicators met the criteria of validity and reliability (loading factor > 0.7; AVE > 0.5; Cronbach's Alpha and Composite Reliability > 0.7). Structural model testing confirmed the feasibility of the model with an SRMR value of 0.075, NFI of 0.784, and GoF of 0.781. An adjusted R² value of 0.749 indicated that the four variables together were able to explain 74.9% of the variation in employee loyalty. The results of the hypothesis test showed that work-life balance (coefficient 0.311; T-statistic 3.597), benefits (coefficient 0.432; T-statistic 6.066), job satisfaction (coefficient 0.408; T-statistic 4.781), and workload (coefficient 0.380; T-statistic 4.685) all had a positive and significant effect on employee loyalty with a p-value of 0.000 < 0.05. Job satisfaction was the most dominant factor with the highest effect size (f²) value of 0.798, followed by benefits (f² = 0.599), work-life balance (f² = 0.545), and workload (f² = 0.398). These findings indicate that integrated human resource management practices, especially those oriented towards employee satisfaction and welfare, have a strategic role in shaping and maintaining employee loyalty in Perum Perhutani's East Java Regional Division.

Keywords: Employee Loyalty; Organizational Factors; Human Resource Management.

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