

The Effect of Cultural Intelligence, Service Training, and Organizational Culture on Employee Loyalty: The Mediating Role of Work-Life Balance at Pusat Oleh-Oleh Shinta Lampung

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ABSTRACT

This study examines the effects of cultural intelligence, service training, and organizational culture on employee loyalty, with work-life balance as an intervening variable among employees of Pusat Oleh-Oleh Shinta Lampung. The study applies a quantitative causal-associative design. Data were collected using a Likert-scale questionnaire and analyzed with Partial Least Squares-Structural Equation Modeling (PLS-SEM) using SmartPLS. The measurement model was assessed through outer loadings, Cronbach's Alpha, composite reliability, Average Variance Extracted (AVE), Heterotrait-Monotrait Ratio (HTMT), and Variance Inflation Factor (VIF), while the structural model was evaluated through R-square, f-square, path coefficients, t-statistics, p-values, and specific indirect effects. The results indicate that cultural intelligence does not have a significant effect on either work-life balance ($O = 0.139$; $t = 0.779$; $p = 0.436$) or employee loyalty ($O = -0.051$; $t = 0.424$; $p = 0.671$). In contrast, service training has a positive and significant effect on work-life balance ($O = 0.593$; $t = 3.931$; $p = 0.000$) and employee loyalty ($O = 0.387$; $t = 3.816$; $p = 0.000$). Work-life balance also has a positive and significant effect on employee loyalty ($O = 0.554$; $t = 5.804$; $p = 0.000$) and mediates the effect of service training on employee loyalty ($O = 0.328$; $t = 2.965$; $p = 0.003$). The source manuscript additionally reports that work-life balance mediates the effect of organizational culture on employee loyalty based on the Sobel test ($Z = 2.266$; $p = 0.023$), although the complete PLS-SEM path coefficients for organizational culture were not provided in the available output tables. The findings suggest that, in a tourism-oriented retail SME context, employee loyalty is shaped more strongly by service training and work-life balance than by cultural intelligence as a direct predictor.

Keywords:

cultural intelligence; service training; organizational culture; work-life balance; employee loyalty; PLS-SEM; SmartPLS.

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INTRODUCTION

Pusat Oleh-Oleh Shinta Lampung, also known as Toko Keripik Shinta, is one of Lampung's well-known souvenir centers. It is located at Gang PU, Jalan Pagar Alam No. 06, Segala Mider, Bandar Lampung, and is popularly associated with banana chips, bakery products, Lampung coffee, handicrafts, and other local food products. According to the business profile used in the source manuscript, the enterprise was established in 2005 by Shinta, a native of Bandar Lampung born on 24 October 1986. The business began with door-to-door sales of cassava chips produced by other sellers, later shifted to in-house banana chip production in 2008 due to the abundant supply of bananas in Lampung, and gradually developed into a recognized souvenir destination. Since 2007, the business has been supported as a small and medium industry by the Department of Industry of Bandar Lampung. The enterprise now employs dozens of workers, generates monthly turnover of up to IDR 60 million, and has become a common destination for tourists seeking Lampung souvenirs.

As a tourism-oriented retail SME, Pusat Oleh-Oleh Shinta Lampung operates in a service environment where employee loyalty is strategically important. Employees interact with customers from diverse regional and cultural backgrounds, manage product information, handle complaints, and support pre-sale and post-sale service processes. Consequently, employee loyalty is not merely a function of tenure or obedience to organizational rules, but also reflects the extent to which employees identify with the organization, maintain commitment to service quality, and are willing to contribute to long-term business continuity.

Cultural intelligence is relevant in such a setting because employees are expected to understand and adapt to cultural differences during service encounters. Cultural intelligence refers to an individual's capability to function effectively in culturally diverse environments, including the ability to understand cultural differences, reflect on cross-cultural experiences, evaluate cultural understanding, and adjust interaction strategies (Nisa & Dyan Evita Santi, n.d.; Nisa et al., 2023). However, the extent to which cultural intelligence directly shapes employee loyalty may depend on the nature of the work context and the extent to which cross-cultural interaction becomes a dominant source of work meaning or organizational attachment.

Service training is equally central because service quality is a core interface between the business and its customers. Customer service is no longer a peripheral business operation; it forms the foundation of long-term relationships between companies and customers (Sheth et al., 2023; Ferdiana Rossi et al., 2024). Effective customer service includes providing assistance, information, and solutions to customers (Kaňovská, 2010; Rahim et al., 2024a), communicating product value (Bidayasari, 2019), and providing service before and after sales (Astari Sekarwati & Suparto, 2020). By helping employees understand customer needs and respond quickly, service training can reduce role ambiguity, increase confidence, and strengthen the perception that the organization invests in employee development.

Organizational culture is also important because it functions as a shared system of values, norms, and habitual practices that distinguish one organization from another (Robbins, 1996; Simanjuntak & Dw, n.d.). A strong culture can provide behavioral guidelines for achieving organizational goals and can shape employee competence, competitiveness, and long-term career continuity (Abrar & Andri, 2024; Ningsih & Setiawan, 2019a). In the context of a growing SME, organizational culture may affect how employees perceive fairness, consistency, mission, involvement, and adaptability.

Work-life balance is positioned in this study as an intervening variable that links organizational resources to employee loyalty. Work-life balance reflects an individual's ability to manage time, energy, emotions, attitudes, and responsibilities between work and personal life (Fisher et al., 2009; Rahmayati, 2021a; Ötken & Erben, 2013; Hidayah & Adi, 2024; Larasati & Hasanati, 2019; Waworuntu et al., 2022; Mubarak, n.d.). When employees can maintain balance between job demands and personal life, they may experience greater satisfaction, lower strain, and stronger willingness to remain with the organization. Accordingly, this study investigates how cultural intelligence, service training, and organizational culture affect employee loyalty through work-life balance at Pusat Oleh-Oleh Shinta Lampung.

Literature Review and Hypothesis Development

1. Grand Theoretical Foundation

This study is grounded in Social System Theory and Maslow's Hierarchy of Needs. Etzioni's Social System Theory (1961) views organizations as social systems consisting of

interrelated elements, including individuals, culture, training, role balance, compliance, and organizational goals. From this perspective, loyalty is an outcome of social integration and compliance mechanisms within the organization. Pusat Oleh-Oleh Shinta Lampung may be understood as a utilitarian organization that relies on incentives, service capability development, and positive organizational norms to build employee commitment.

Maslow's Hierarchy of Needs (1943) complements this view by explaining how employee loyalty may emerge when organizations support employees' physiological, safety, social, esteem, and self-actualization needs. Cultural intelligence may address social and esteem-related needs by enabling better interactions; service training may support esteem and self-development needs; organizational culture may support belonging and self-actualization; and work-life balance may help employees reconcile work and personal needs. Together, these theoretical perspectives provide a basis for testing how organizational resources shape employee loyalty through work-life balance.

2. Cultural Intelligence

Cultural intelligence is defined as the ability of individuals to adapt to new environments by accepting and adjusting to cultural differences (Nisa & Dyan Evita Santi, n.d.; Adam+Sasando_Ahmad+Faris+Iman+Bin+Alias (5), n.d.). The indicators used in this study include understanding cultural differences during interaction, adapting cross-cultural behavior, reflecting on cultural experiences, evaluating cultural understanding, and adjusting interaction strategies (Nisa et al., 2023). In a service setting that receives customers from various backgrounds, cultural intelligence is expected to help employees manage diverse customer expectations and reduce communication barriers. Prior research suggests that cultural intelligence can affect work-related outcomes and organizational commitment, although its predictive strength varies across contexts (Ang et al., 2007; Schlaegel et al., 2021; Adam+Sasando_Ahmad+Faris+Iman+Bin+Alias (3), n.d.).

3. Service Training

Service training refers to activities that strengthen employees' ability to provide assistance, information, and effective solutions to customers (Kaňovská, 2010; Sheth et al., 2023; Rahim et al., 2024c). The indicators include product information delivery, quick responses to complaints, pre-sale service, post-sale service, friendliness, and empathy (Bidayasari, 2019; Astari Sekarwati & Suparto, 2020; Närvänen et al., 2020; Elia Cahyani et al., 2024; Rahim et al., 2024). From Maslow's perspective, service training supports esteem and self-actualization by improving skills and competence. From Etzioni's perspective, it is a utilitarian mechanism that enhances performance and organizational alignment. Empirical studies have shown that training and development can increase loyalty, retention, performance, and job satisfaction (Fiorella et al., 2025; Alfarizy et al., 2025; Mampuru et al., 2024).

4. Organizational Culture

Organizational culture refers to the shared habits, values, and norms adopted by organizational members and used to distinguish one organization from another (Robbins, 1996; Sammy Rifah Sihombing & Khairul Ikhwan, 2023). The indicators retained from the source manuscript include involvement, consistency, adaptability, shared mission, and visible characteristics (Ningsih & Setiawan, 2019). Within a social system, organizational culture acts as a normative mechanism that encourages voluntary compliance, shared goals, and collective identity. In the case of Shinta Lampung, organizational culture is relevant because the

enterprise has grown from a small shop into a more structured souvenir center requiring clearer values, consistent work practices, and customer-oriented routines.

5. Work-Life Balance

Work-life balance refers to an individual's capacity to balance work and non-work roles in terms of time, involvement, satisfaction, energy, attitudes, and responsibility (Fisher et al., 2009; Greenhaus in Ötken & Erben, 2013; Lockwood in Larasati, 2019; Hill, 2001; Mubarak, n.d.; Rahmayati, 2021b). The indicators used in this study include time balance, involvement balance, satisfaction balance, daily energy management, and harmony of attitudes and responsibilities. Previous studies show that work-life balance is associated with job satisfaction, performance, retention, and loyalty, although the magnitude of its effect may differ across work settings (Pitoyo & Handayani, 2022; Hidayah & Adi, 2024; Aruldoss et al., 2022; Hermanto & Kadang, 2025; Reners et al., 2024).

6. Employee Loyalty

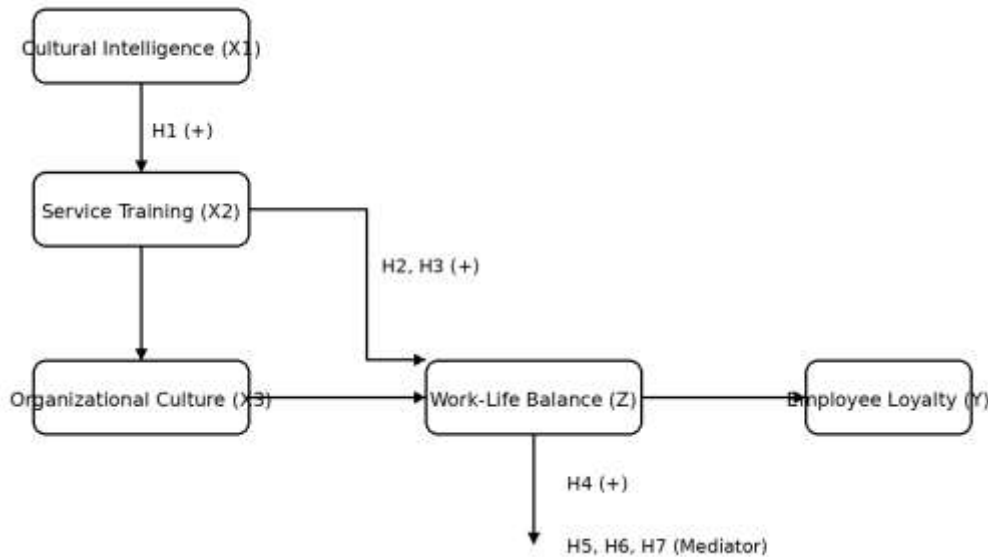
Employee loyalty is defined as employees' commitment, dedication, and willingness to support organizational success through sustained membership, acceptance of organizational values, maximum effort, empathy, compliance with rules, and optimal use of time and thought for the organization (Juwita & Khalimah, 2023; Febriana & Kustini, 2022; Maulhika Putri Winaryanti et al., 2023; Lalisang et al., 2022; Jasmine & Nugroho, 2025; Metta & Widyastuti, 2025). In this study, employee loyalty serves as the dependent variable and represents the main outcome of cultural intelligence, service training, organizational culture, and work-life balance.

7. Conceptual Framework and Hypotheses

The conceptual framework positions cultural intelligence, service training, and organizational culture as exogenous variables that influence employee loyalty directly and indirectly through work-life balance. The source manuscript formulated the following hypotheses: H1: Cultural intelligence has a positive and significant effect on employees' work-life balance; H2: Service training has a positive and significant effect on employees' work-life balance; H3: Organizational culture has a positive and significant effect on employees' work-life balance; H4: Work-life balance has a positive and significant effect on employee loyalty; H5: Work-life balance mediates the effect of cultural intelligence on employee loyalty; H6: Work-life balance mediates the effect of service training on employee loyalty; H7: Work-life balance mediates the effect of organizational culture on employee loyalty.

In addition to the conceptual hypotheses above, the available SmartPLS output tables in the source manuscript also report direct paths from cultural intelligence and service training to employee loyalty. These direct paths are retained and reported in the results section to preserve the original data.

Figure 1. Conceptual framework retained from the source manuscript



Source: research manuscript, 2026.

RESEARCH METHOD

This study adopts a quantitative approach with a causal-associative research design because it aims to analyze influence relationships among variables. The research object is employees of Pusat Oleh-Oleh Shinta Lampung. The study variables consist of cultural intelligence, service training, and organizational culture as independent variables; work-life balance as the intervening variable; and employee loyalty as the dependent variable. Primary data were collected by distributing questionnaires to respondents using a Likert scale, allowing the responses to be processed statistically for model testing.

Data analysis was conducted using Partial Least Squares-Structural Equation Modeling with SmartPLS. The measurement model, or outer model, was evaluated using outer loadings, Average Variance Extracted, Cronbach's Alpha, composite reliability, discriminant validity, and outer VIF. The structural model, or inner model, was evaluated through R-square, f-square, inner VIF, path coefficients, t-statistics, p-values, and specific indirect effects to examine the mediating role of work-life balance. Hypotheses were accepted when the t-statistic exceeded 1.96 and the p-value was below 0.05.

Data reporting note. The source manuscript includes organizational culture in the title, theoretical review, conceptual framework, hypotheses, discussion, and conclusion. However, the available SmartPLS tables do not provide complete direct path coefficients for organizational culture. To avoid deleting source content while maintaining analytical transparency, this article reports all available estimates and explicitly marks organizational culture results where only narrative or Sobel-test evidence is available.

RESULTS AND DISCUSSION

1. Measurement Model Assessment

The measurement model was evaluated to assess construct validity and reliability. As shown in Table 1, all indicators have outer loading values above 0.70. Therefore, all indicators for cultural intelligence, service training, work-life balance, and employee loyalty are valid and suitable for use in the research model.

Table 1. Outer loading results

Indicator	Variable	Outer Loading	Decision
X1-1	Cultural Intelligence	0.727	Valid
X1-2	Cultural Intelligence	0.868	Valid
X1-3	Cultural Intelligence	0.834	Valid
X1-4	Cultural Intelligence	0.833	Valid
X1-5	Cultural Intelligence	0.853	Valid
X1-6	Cultural Intelligence	0.830	Valid
X2-1	Service Training	0.794	Valid
X2-2	Service Training	0.800	Valid
X2-3	Service Training	0.831	Valid
X2-4	Service Training	0.826	Valid
X2-5	Service Training	0.826	Valid
X2-6	Service Training	0.846	Valid
Z1	Work-Life Balance	0.761	Valid
Z2	Work-Life Balance	0.820	Valid
Z3	Work-Life Balance	0.736	Valid
Z4	Work-Life Balance	0.847	Valid
Z5	Work-Life Balance	0.835	Valid
Z6	Work-Life Balance	0.804	Valid
Y1	Employee Loyalty	0.864	Valid
Y2	Employee Loyalty	0.792	Valid
Y3	Employee Loyalty	0.794	Valid
Y4	Employee Loyalty	0.877	Valid
Y5	Employee Loyalty	0.806	Valid
Y6	Employee Loyalty	0.788	Valid

Source: processed data, 2026.

Table 2 shows that all variables have Cronbach's Alpha and composite reliability values above 0.70, and AVE values above 0.50. These results indicate that all constructs meet the criteria for internal consistency reliability and convergent validity.

Table 2. Construct reliability and validity

Variable	Cronbach's Alpha	rho_A	Composite Reliability	AVE	Decision
Cultural Intelligence	0.906	0.912	0.927	0.681	Reliable and valid
Service Training	0.903	0.907	0.925	0.673	Reliable and valid
Work-Life Balance	0.888	0.893	0.915	0.642	Reliable and valid
Employee Loyalty	0.903	0.904	0.925	0.674	Reliable and valid

Source: processed data, 2026.

The discriminant validity results using HTMT are presented in Table 3. All HTMT values are below 0.90, indicating that the model satisfies discriminant validity criteria.

Table 3. Discriminant validity using HTMT

Variable Relationship	HTMT Value	Decision
Service Training <-> Cultural Intelligence	0.793	Met
Employee Loyalty <-> Cultural Intelligence	0.602	Met
Employee Loyalty <-> Service Training	0.807	Met
Work-Life Balance <-> Cultural Intelligence	0.635	Met
Work-Life Balance <-> Service Training	0.764	Met
Work-Life Balance <-> Employee Loyalty	0.882	Met

Source: processed data, 2026.

The outer VIF values are presented in Table 4. All indicator VIF values are below 5.00, indicating that the measurement model does not suffer from multicollinearity problems.

Table 4. Outer model collinearity statistics / VIF

Variable	Indicator VIF Range	Decision
Cultural Intelligence	1.805-2.872	No multicollinearity
Service Training	2.069-2.485	No multicollinearity
Work-Life Balance	1.846-2.885	No multicollinearity
Employee Loyalty	2.009-3.403	No multicollinearity

Source: processed data, 2026.

2. Structural Model Assessment

The structural model assessment was conducted to examine the explanatory power and strength of relationships among latent variables. Table 5 shows that work-life balance has an R-square value of 0.491, indicating that cultural intelligence and service training explain 49.1% of the variance in work-life balance. Employee loyalty has an R-square value of 0.696, indicating that cultural intelligence, service training, and work-life balance explain 69.6% of the variance in employee loyalty.

Table 5. R-square results

Endogenous Variable	R-Square	Adjusted R-Square	Interpretation
Work-Life Balance	0.491	0.481	Moderate
Employee Loyalty	0.696	0.686	Strong

Source: processed data, 2026.

The f-square results in Table 6 indicate that the largest substantive effect occurs in the relationship between work-life balance and employee loyalty (f-square = 0.513). This suggests that work-life balance makes a substantial contribution to explaining employee loyalty.

Table 6. f-square results

Variable Relationship	f-Square	Interpretation
Cultural Intelligence -> Employee Loyalty	0.004	Very small
Cultural Intelligence -> Work-Life Balance	0.018	Very small
Service Training -> Employee Loyalty	0.174	Medium
Service Training -> Work-Life Balance	0.322	Medium
Work-Life Balance -> Employee Loyalty	0.513	Large

Source: processed data, 2026.

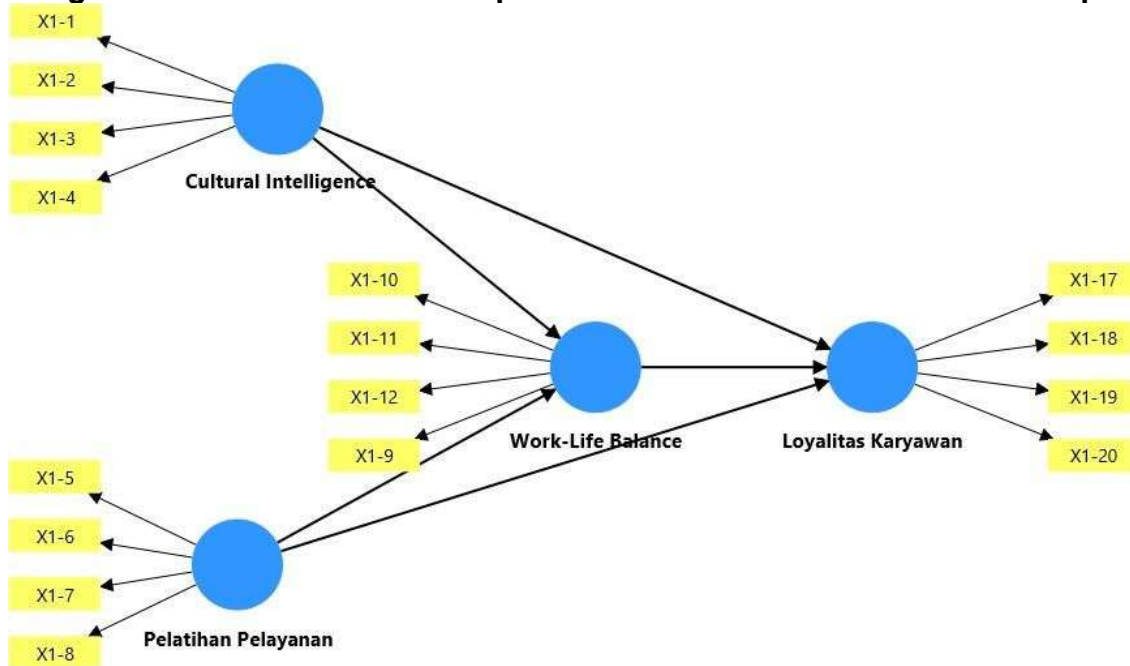
Table 7 shows that all inner VIF values are below 5.00. Thus, the structural model does not show symptoms of multicollinearity.

Table 7. Inner model collinearity statistics / VIF

Variable Relationship	VIF	Decision
Cultural Intelligence -> Employee Loyalty	2.188	No multicollinearity
Cultural Intelligence -> Work-Life Balance	2.150	No multicollinearity
Service Training -> Employee Loyalty	2.841	No multicollinearity
Service Training -> Work-Life Balance	2.150	No multicollinearity
Work-Life Balance -> Employee Loyalty	1.966	No multicollinearity

Source: processed data, 2026.

Figure 2. SmartPLS model output retained from the source manuscript



Source: SmartPLS output in the research manuscript, 2026.

3. Hypothesis Testing and Path Coefficients

Hypothesis testing was conducted using SmartPLS bootstrapping. A relationship is considered significant when the t-statistic is greater than 1.96 and the p-value is less than 0.05. The available path coefficient results show that cultural intelligence does not significantly affect either work-life balance or employee loyalty. In contrast, service training has a positive and significant effect on both work-life balance and employee loyalty. Work-life balance also has a positive and significant effect on employee loyalty.

Table 8. Path coefficient results

Hypothesis / Path	Variable Relationship	Original Sample	T-Statistic	P-Value	Decision
H1	Cultural Intelligence -> Work-Life Balance	0.139	0.779	0.436	Rejected
H2	Service Training -> Work-Life Balance	0.593	3.931	0.000	Accepted
Additional direct path in source output	Cultural Intelligence -> Employee Loyalty	-0.051	0.424	0.671	Rejected

Hypothesis / Path	Variable Relationship	Original Sample	T-Statistic	P-Value	Decision
Additional direct path in source output	Service Training -> Employee Loyalty	0.387	3.816	0.000	Accepted
H4 / direct structural path	Work-Life Balance -> Employee Loyalty	0.554	5.804	0.000	Accepted

Source: processed data, 2026.

Note: The hypothesis labels in Table 8 are harmonized with the conceptual hypotheses where possible. The source SmartPLS output also reports direct paths from cultural intelligence and service training to employee loyalty; these paths are retained to preserve all reported data. The available tables do not include complete direct path coefficients for organizational culture.

4. Mediation Analysis

The specific indirect effect results are shown in Table 9. Work-life balance does not mediate the effect of cultural intelligence on employee loyalty. However, work-life balance mediates the effect of service training on employee loyalty. This means that effective service training can increase employee loyalty indirectly by improving work-life balance.

Table 9. Specific indirect effect results

Hypothesis	Mediation Relationship	Original Sample	T-Statistic	P-Value	Decision
H5	Cultural Intelligence -> Work-Life Balance -> Employee Loyalty	0.077	0.860	0.390	Rejected
H6	Service Training -> Work-Life Balance -> Employee Loyalty	0.328	2.965	0.003	Accepted

Source: processed data, 2026.

The source manuscript further reports that work-life balance mediates the effect of organizational culture on employee loyalty based on the Sobel test, with a Sobel Z value of 2.266 and a significance value of 0.023. Since the complete PLS-SEM coefficient table for organizational culture was not available in the source output, this finding is reported as source-reported supplementary mediation evidence rather than a fully tabulated PLS-SEM path result.

Discussion

1. Cultural Intelligence and Work-Life Balance

The results show that cultural intelligence does not have a significant effect on work-life balance; therefore, the first hypothesis is rejected. This finding indicates that employees' ability to understand and adjust to cultural differences is not strong enough, in this context, to shape the balance between work and personal life. One possible interpretation is that customer diversity at Pusat Oleh-Oleh Shinta Lampung may be more operationally relevant for service encounters than for employees' broader work-life arrangements. This result is consistent with Schlaegel et al. (2021), who explain that the effects of cultural intelligence on work-related outcomes can vary and may not be dominant in all organizational contexts. However, it differs from He et al. (2019), who found that cultural intelligence can be associated with reduced work-family conflict through psychological mechanisms.

2. Service Training and Work-Life Balance

Service training has a positive and significant effect on work-life balance; therefore, the second hypothesis is accepted. This suggests that service training helps employees work in a more structured way, understand service tasks more clearly, and reduce pressure when dealing

with customers. Employees who receive better training may experience lower role ambiguity, greater perceived competence, and more effective handling of customer interactions, which can support a better balance between work and personal life. This finding aligns with Alfarizy et al. (2025), who found that job training and work-life balance contribute to employee outcomes. However, it is not fully consistent with Aruldoss et al. (2022), who positioned training and development more as a moderating factor in the relationship between work-life balance and job satisfaction rather than as a direct antecedent of work-life balance.

3. Cultural Intelligence and Employee Loyalty

The available direct path results show that cultural intelligence does not significantly affect employee loyalty. This indicates that employees' ability to manage cultural diversity in customer interactions does not directly determine their loyalty to the organization. In this setting, loyalty appears to be more strongly associated with practical organizational support, particularly service training and work-life balance. The finding is in line with Presbitero et al. (2025), who suggest that the relationship between cultural intelligence and intention to stay may become stronger when supported by supervisors' cultural intelligence and work engagement. However, it differs from Tsang and Nguyen (2023), who found that cultural competence can influence intention to stay through sociocultural adaptation and job satisfaction.

4. Service Training and Employee Loyalty

Service training has a positive and significant effect on employee loyalty. Employees who receive effective service training may feel more capable of performing their work, more confident in handling customers, and more valued by the organization. These perceptions can strengthen loyalty because training signals organizational investment in employee competence and career development. This result supports Mampuru et al. (2024), who found that training and development are positively and significantly related to loyalty and retention. Nevertheless, it differs from Hosen et al. (2024), who positioned training and development more strongly as predictors of performance through organizational commitment rather than as direct predictors of employee loyalty.

5. Work-Life Balance and Employee Loyalty

Work-life balance has a positive and significant effect on employee loyalty. Employees who can maintain balance between work and personal life are more likely to feel comfortable, satisfied, and willing to remain with the organization. This result confirms that employee loyalty is not only driven by task competence or organizational rules, but also by the extent to which the organization enables employees to manage personal and work demands. The finding is consistent with Hermanto and Kadang (2025), who found a positive and significant effect of work-life balance on employee loyalty. However, it differs from Reners et al. (2024), who found that work-life balance had a positive but insignificant effect on employee loyalty.

6. Mediating Role of Work-Life Balance in the Cultural Intelligence-Loyalty Relationship

Work-life balance does not mediate the effect of cultural intelligence on employee loyalty. This means that cultural intelligence is not strong enough to increase loyalty indirectly through work-life balance. The result suggests that cross-cultural competence may improve service interactions, but it does not necessarily translate into better work-life balance or stronger loyalty unless supported by broader organizational mechanisms. This finding is consistent with Meschke (2021), who indicates that employee loyalty in cross-cultural contexts is influenced by

contextual and cultural differences. However, it differs from Rao (2017), who views cultural intelligence as a potential enabler of work-life balance and sustainable human development.

7. Mediating Role of Work-Life Balance in the Service Training-Loyalty Relationship

Work-life balance mediates the effect of service training on employee loyalty. This implies that service training improves loyalty not only directly, but also indirectly by supporting employees' ability to manage work and personal life. Service training can make work more predictable, reduce service-related stress, and help employees handle customer demands more effectively. As a result, employees may experience better work-life balance and respond with stronger loyalty. This finding aligns with Nainggolan et al. (2025), who found that training and development together with work-life balance positively affect employee retention. However, it is not fully consistent with Istikarani et al. (2024), who showed that mediation does not always occur in all relationships between work-life balance and work outcomes.

8. Organizational Culture and Source-Reported Mediation Evidence

The source manuscript reports that work-life balance also mediates the effect of organizational culture on employee loyalty based on the Sobel test ($Z = 2.266$; $p = 0.023$). This suggests that a supportive organizational culture may strengthen employee loyalty by creating working conditions that enable employees to balance their work and personal responsibilities. Nevertheless, because the complete PLS-SEM path coefficient table for organizational culture is not included in the available output, this result should be interpreted cautiously. For international journal submission, the organizational culture path estimates, standard errors, t-statistics, p-values, and indirect effects should be added to ensure full reproducibility.

CONCLUSION

This study concludes that the measurement instruments are valid and reliable because all indicators meet the required outer loading thresholds, all constructs meet reliability criteria, and the model satisfies convergent and discriminant validity requirements. The structural model shows that cultural intelligence does not significantly affect work-life balance or employee loyalty. In contrast, service training significantly improves work-life balance and employee loyalty, while work-life balance significantly improves employee loyalty. Work-life balance also mediates the effect of service training on employee loyalty. The source manuscript additionally reports that work-life balance mediates the effect of organizational culture on employee loyalty through a Sobel test, although the complete PLS-SEM coefficients for organizational culture were not presented in the available tables.

The findings have practical implications for the management of Pusat Oleh-Oleh Shinta Lampung and similar tourism-oriented SMEs. First, service training should be strengthened as a strategic human resource practice because it improves both employee competence and loyalty. Second, management should create work arrangements that support work-life balance, because balance between work and personal life is a strong predictor of employee loyalty. Third, organizational culture should be developed through consistent values, employee involvement, adaptability, and shared mission, especially because the source manuscript indicates that culture may affect loyalty through work-life balance.

This study also has limitations. The available source output does not state the exact sample size and does not provide complete PLS-SEM coefficients for organizational culture, even though organizational culture is included in the title, framework, hypotheses, and

conclusion. Future studies should report the sampling technique, number of respondents, questionnaire items, complete model estimates for all variables, confidence intervals, and predictive relevance measures. Future research may also examine additional variables such as job satisfaction, perceived organizational support, leadership, compensation, and work engagement to obtain a broader explanation of employee loyalty in SME service contexts.

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