

Linking Work Environment And Organizational Sustainability: Evidence From Indonesian Higher Education

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Abstract. This study investigates the interrelationships among work environment, quality of work life (QWL), motivation, compensation, career development, and employee retention in Indonesian higher education institutions (HEIs). Drawing on sustainability and human resource management (HRM) perspectives, the study aims to extend the discourse of organizational sustainability beyond ecological concerns to include institutional and human capital dimensions. Using a quantitative survey design, data were collected from 389 lecturers across 29 accredited private universities and analyzed with Partial Least Squares Structural Equation Modeling (PLS-SEM). The results show that work environment and motivation significantly enhance career development, while compensation directly improves retention but does not affect career development. Motivation emerged as the strongest driver of faculty career development, and career development itself was found to mediate the relationship between organizational factors and retention. The model explains a substantial variance in retention ($R^2 = 0.867$) and demonstrates high predictive relevance ($Q^2 = 0.967$). These findings advance theory by integrating previously fragmented constructs into a single sustainability-oriented framework and provide practical guidance for HEIs to strengthen faculty retention through supportive work environments, motivational strategies, and structured career development. At the policy level, the study underscores the importance of embedding sustainable HRM practices into accreditation and quality assurance frameworks to ensure long-term institutional resilience.

Keywords: work environment; quality of work life; motivation; career development; faculty retention; higher education; sustainability

1. INTRODUCTION

Sustainability has increasingly become a central theme in environmental sciences, traditionally associated with ecological preservation, natural resource management, and climate resilience (Gao & Al Mamun, 2025; Trevisan, 2024). In an era of global disruption and institutional transformation, however, the concept of environment extends beyond ecological boundaries to encompass organizational and social dimensions that shape human capital sustainability. Within this context, higher education institutions (HEIs) play a pivotal role in promoting sustainable development goals (SDGs) through knowledge production, policy innovation, and community engagement (Basheer, 2025; Vanderslott, 2021). Yet, their capacity to sustain these contributions depends heavily on the motivation and retention of qualified faculty and staff within supportive organizational environments (Verma, 2024a; Wiley, 2025).

Research on organizational sustainability in HEIs has gained growing attention, though much of the existing literature emphasizes green campus initiatives, financial resilience, or academic productivity rather than the human and organizational dimensions (Budihardjo, 2021; Filho, 2024; Hassan, 2025). Less explored is how the work environment encompassing physical, psychological, and social conditions affects employee behavior, motivation, and long-term institutional viability (Hermanto, 2024; Verma, 2024a). A supportive work environment enhances quality of work life (QWL) and strengthens retention, which are essential for sustaining human capital in knowledge-based organizations (Abebe, 2023; Sayekti et al., 2023; Verma, 2024). Conversely, the absence of such conditions increases risks of faculty turnover, declining performance, and weakened contributions to broader sustainability goals (Trevisan, 2024; Wiley, 2025).

In the Indonesian context, private universities face significant challenges in retaining qualified faculty due to limited resources, high competition, and evolving policy landscapes (Budihardjo, 2021). While initiatives addressing sustainability in HEIs have been documented, these often focus on campus infrastructure or curriculum integration rather than the organizational environments that directly influence faculty engagement and retention (Sayekti et al., 2023; Sey & Rachmawati, 2025). Similar findings in Southeast Asia also highlight how remuneration, work-life balance, and job satisfaction significantly affect employee retention in higher education institutions, underscoring the importance of supportive organizational contexts (Ki, 2022; Rahman, 2019). Despite these insights, few studies have

comprehensively examined how work environment, QWL, motivation, and retention collectively shape organizational sustainability in Indonesian HEIs.

This study addresses that gap by empirically investigating the interrelationships among work environment, quality of work life, motivation, and employee retention in Indonesian higher education institutions. By adopting an environmental sciences lens, the study positions organizational environment as a vital dimension of sustainability, thereby extending the discourse of environmental sciences beyond ecological and technical concerns to include social and institutional systems. The findings contribute to theory by advancing a multidimensional model of human resource sustainability, and to practice by offering actionable implications for policymakers and university leaders seeking to foster organizational resilience in knowledge-based institutions.

2. LITERATURE REVIEW

2.1 Sustainability in Higher Education Institutions

Higher Education Institutions (HEIs) are increasingly recognized as pivotal agents for advancing sustainable development, not only through their environmental initiatives but also by nurturing an organizational culture that supports faculty well-being, retention, and motivation. As the sustainability agenda expands within HEIs, it underscores the necessity for addressing the human capital dimension essential for institutional endurance in knowledge-based economies. This perspective highlights that sustainability strategies must integrate ecological, financial, and social dimensions to achieve long-term institutional resilience.

Research emphasizes that HEIs play a crucial role in education for sustainable development, producing a new generation of leaders equipped to tackle global challenges (Popelo et al., 2023). Sustainable development has been reflected in HEIs' curricula and organizational practices, focusing on fostering leadership capable of assuming responsibility, which is essential for societal progress (Popelo et al., 2023). Moreover, understanding the impact of HEIs on sustaining societal development illustrates their obligation as institutions that shape public consciousness and behavior towards sustainability (Nugraha et al., 2023; Purcell et al., 2019). The effectiveness of such practices directly influences the ability of HEIs to promote economic, environmental, and social welfare (Budihardjo, 2021; Filho et al., 2018).

At the core of this organizational sustainability is the well-being of faculty members. Creating supportive environments improves faculty retention, motivation, and job satisfaction, thereby enhancing the competitive edge of HEIs (McHenry et al., 2023; Stuckey et al., 2019). Evidence suggests that well-designed mentoring programs and supportive organizational structures contribute positively to faculty morale and productivity, indicating the necessity to view human capital alongside sustainable practices (Orsini, 2023). Conversely, burnout and disengagement have been shown to undermine both educational quality and institutional health (Kim et al., 2024; Sacco & Kelly, 2021).. Addressing these challenges requires holistic approaches that integrate faculty support, professional development, and organizational innovation (Wright et al., 2022).

In addition, regional studies confirm the importance of organizational environments in HEIs. Research in Indonesia and Southeast Asia demonstrates that quality of work life, fair compensation, and career development are strongly linked to job satisfaction and retention, which are critical for sustaining institutional effectiveness (Ki, 2022; Rahman, 2019; Sayekti et al., 2023). These findings highlight the relevance of contextual factors in shaping sustainability outcomes.

The COVID-19 pandemic further emphasized the urgency of building institutional resilience. The shift to remote education exposed vulnerabilities and underscored the importance of digital transformation, faculty engagement, and organizational adaptability (Iglesias-Pradas et al., 2021; Mitchell et al., 2021). Enhancing digital readiness and strengthening community support can significantly improve outcomes during crises (Natkin & Hill, 2020; Prasad et al., 2022). Recent studies suggest that resilience-oriented strategies, rooted in sustainability, are essential for ensuring that HEIs remain effective and relevant in rapidly changing environments (Hassan, 2025; Kang et al., 2024).

In conclusion, HEIs can significantly influence sustainable development not only through ecological initiatives but also by cultivating organizational systems that prioritize human capital. By integrating ecological, institutional, and social strategies, HEIs can foster environments in which both faculty and students thrive in the pursuit of sustainability.

2.2 Work Environment and Retention

The work environment significantly influences employee attitudes and behaviors, particularly in the context of academic institutions such as private universities. A conducive work environment, defined by

supportive social and physical conditions, is critical for enhancing lecturer retention. Scholarly evidence indicates that the work environment must address multiple components, including occupational stress, to sustain both faculty well-being and institutional productivity.

For instance, Hernowo and Pamungkas found that the work environment affects lecturers' occupational stress, showing a statistically significant relationship. This implies that adverse environmental conditions can lead to health and well-being issues among academic staff, negatively impacting their performance and increasing turnover risks (Hernowo & Pamungkas, 2023). Similar findings emerged from Kundu and Lata, who posited that a supportive work environment fosters healthy relationships among employees, thereby improving retention rates. Their study indicates that peer group interaction is positively related to employee retention, underscoring the importance of a structured and supportive institutional culture (Kundu & Lata, 2017).

The impact of environmental conditions on lecturer retention has also been documented within the Indonesian context by Mahoko and Omodan, who identified acknowledgment from leadership as critical for retaining lecturers. A lack of recognition can weaken lecturers' organizational commitment and increase turnover intentions (Mahoko & Omodan, 2023). Additionally, research by Patience highlighted that various elements, such as work-life balance and organizational support, play a significant role in motivating lecturers to remain in their positions. This research emphasized that conditions enabling personal and professional growth are vital in establishing an environment that encourages retention (Patience, 2023).

Research from Dwipayana and Suwandana further supports the assertion that both the physical and non-physical aspects of the work environment significantly affect employee retention rates. They stressed that recognizing this dual nature is essential for developing effective retention strategies in HEIs (Dwipayana & Suwandana, 2021). Further corroborating this perspective, Basalamah and As'Ad found that improvements in the work environment directly contribute to increased job satisfaction and productivity among lecturers (Basalamah & As'ad, 2021).

Furthermore, studies by Sustiyatik and Yusliza emphasized the interrelationship between employee retention and supportive work environments, noting that perceived organizational commitment and emotional ties to the institution are essential for minimizing turnover (Sustiyatik, 2023; Yusliza et al., 2020). Collectively, these studies elucidate how specific environmental factors, both social and institutional, are intertwined with lecturer retention, highlighting the importance of creating supportive atmospheres as part of broader strategies for organizational sustainability.

Thus, the evidence indicates that a supportive work environment plays a crucial role in enhancing lecturer retention in private universities, particularly in Indonesia. The absence of such conditions not only increases turnover risks but also undermines institutional performance and long-term sustainability.

2.3 Quality of Work Life (QWL) and Employee Motivation

Quality of Work Life (QWL) and employee motivation are critical components that significantly impact job satisfaction, retention, and overall employee performance. QWL encompasses employees' perceptions of their work environment, including factors such as compensation, career development opportunities, and work-life balance. Recent research affirms that a positive QWL is strongly associated with job satisfaction and retention, particularly in higher education institutions (Abebe, 2023; Verma, 2024b).

In the context of Indonesia, QWL elements have been shown to be directly related to employee retention. For instance, Herliana et al. observed that job satisfaction and work-life balance are predictive of turnover intentions among employees in the real estate industry, underscoring the importance of these factors in employee retention strategies (Herliana et al., 2021). Furthermore, Naini and Riyanto emphasized that perceived organizational support and work-life balance significantly influence turnover intentions through job satisfaction, reinforcing the critical need for a supportive work environment (Naini & Riyanto, 2023). These findings are consistent with international evidence, suggesting that QWL contributes not only to reduced turnover but also to organizational sustainability through human capital stability (Hassan, 2025).

Employees' motivation, whether intrinsic or extrinsic, serves as a vital driver of engagement and retention. Pramana and Putra asserted that job satisfaction is a significant element influencing work engagement, highlighting how job satisfaction mediates the relationship between QWL and employee motivation (Pramana & Putra, 2022). This connection suggests that motivated employees are likely to remain in their roles longer, pursue professional growth, and contribute positively to their organizations. International studies also confirm that supportive HR climates and conducive work environments enhance motivation, which in turn drives retention in HEIs (Verma, 2024b). Moreover, studies indicate that a supportive work

environment can bolster employees' motivation. For example, Anggitaning et al. found that quality of work life significantly impacts organizational commitment and employee performance (Anggitaning et al., 2022). In this context, QWL is considered essential for motivating employees to perform effectively and achieve organizational goals.

Work-life balance, as a major component of QWL, plays a crucial role in shaping employees' job satisfaction and motivation. Research has consistently demonstrated that effective work-life balance positively contributes to job satisfaction and retention. For instance, Yang et al. argued that organizations must facilitate employees in reconciling work and life pressures effectively, which significantly enhances their satisfaction and loyalty to the company (Yang et al., 2021). Furthermore, Supriyadi and Hidayat provided evidence of the impact of work-life balance on job satisfaction, suggesting that organizations can improve employee satisfaction by promoting a better balance between work and personal life (Supriyadi & Hidayat, 2023).

Moreover, motivation, closely correlated with QWL, affects employees' pursuit of growth opportunities and their commitment to their organizations. Studies by Zamzami et al. indicated that as QWL improves, so too does employee motivation. Therefore, a better quality of work life contributes significantly to job satisfaction and retention (Zamzami et al., 2022). This interrelationship implies that organizations focusing on QWL and motivation not only boost employee satisfaction and retention but also strengthen institutional sustainability by ensuring the continuity of academic human resources (Hassan, 2025).

In summary, the correlation between Quality of Work Life, employee motivation, and job satisfaction is significant in influencing employee retention in the Indonesian context. By acknowledging and improving these factors, organizations can enhance institutional resilience and contribute to broader sustainability goals in higher education.

2.4 Compensation, Career Development, and Retention

Compensation is a central factor shaping employee motivation, career development, and retention. While specific compensation schemes may not directly enhance intrinsic motivation, they significantly influence job satisfaction, which in turn affects retention outcomes (Fatima, 2017). Recent studies confirm that effective compensation frameworks enhance satisfaction and indirectly improve retention, particularly in higher education institutions where faculty stability is crucial (Verma, 2024a; Zayed et al., 2022).

In academic contexts, compensation also interacts with broader organizational conditions. Willis et al. (2018) demonstrated that satisfaction with compensation reduces turnover intentions among faculty, while Abebe (2023) highlights that quality of work life and organizational support reinforce this effect by fostering commitment and long-term engagement. These findings suggest that competitive pay must be complemented by professional growth opportunities and supportive environments to ensure sustainable retention.

Career development is increasingly recognized as a critical mediator linking work culture, motivation, and retention. Appropriate initiatives enable employees to perceive their roles as valuable and fulfilling, thereby strengthening loyalty and reducing turnover (Chakrabarty, 2020; Kuswara et al., 2023). International evidence shows that when career development is embedded within supportive HR systems, employees are more motivated to remain and contribute to organizational sustainability (Hassan, 2025). In essence, organizations should adopt a holistic approach that integrates compensation with career development and institutional support. Rather than focusing solely on financial incentives, aligning compensation and growth opportunities helps stabilize the academic workforce, which is essential for sustaining human capital and advancing the long-term sustainability of higher education institutions (Abebe, 2023; Hassan, 2025; Verma, 2024a).

2.5 Research Gap

Research on work environment, quality of work life (QWL), motivation, and employee retention in higher education institutions (HEIs) has expanded in recent years, yet most studies address these factors in isolation rather than as part of an integrated framework (Akbar et al., 2024; Rochmansjah, 2024). This fragmented approach limits understanding of how these constructs interact and collectively influence institutional outcomes. In Indonesia, where human resource management is a key driver of educational quality, a holistic model is required to capture the dynamics of human capital and their contribution to organizational sustainability (Neupane, 2023; Poveda et al., 2023).

Evidence suggests that supportive work environments, organizational commitment, and QWL strongly influence employee engagement and retention (Abebe, 2023; Verma, 2024a). However, few studies have explicitly examined these interrelationships through the lens of sustainability, particularly in developing country contexts (Pedro et al., 2020; Prayitno, 2024). Moreover, while prior research acknowledges the

role of compensation and career development in retention, there remains a lack of integrated models that link these human capital practices to long-term sustainability outcomes (Chakrabarty, 2020; Zayed et al., 2022).

Recent scholarship emphasizes that sustainable human resource practices are central to ensuring institutional resilience and advancing the Sustainable Development Goals (SDGs) (Gao & Al Mamun, 2025; Hassan, 2025; Trevisan, 2024). To the best of our knowledge, no study has systematically investigated the combined effects of work environment, QWL, motivation, and retention within a sustainability framework in Indonesian HEIs. This gap underscores the importance of developing integrated models that reflect the complex interplay between organizational behavior and environmental sustainability, providing theoretical contributions and practical guidance for strengthening higher education systems.

3. RESEARCH METHODOLOGY

3.1 Research Design

This study employed an explanatory quantitative design to examine the causal relationships among work environment, quality of work life (QWL), motivation, compensation, career development, and employee retention in private higher education institutions (HEIs) in Indonesia. Data were collected through a structured survey, and the analysis was conducted using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS 3 software.

3.2 Population and Sample

The research population consisted of 13,890 lecturers from 29 private universities accredited as “Unggul” by BAN-PT in 2021. Using Slovin’s formula with a 5% margin of error, the minimum sample size required was 389 respondents. Stratified random sampling ensured proportional representation from each university.

Table 1. Population and Sample Distribution of Accredited Private Universities

No	University	Population (Lecturers)	Sample (n)
1	Universitas Widyatama	263	7
2	Universitas Telkom	979	27
3	Universitas Tarumanagara	426	12
4	Universitas Pasundan	553	15
5	Universitas Pancasila	360	10
6	Universitas Muslim Indonesia	713	20
7	Universitas Muhammadiyah Yogyakarta	642	18
8	Universitas Muhammadiyah Surakarta	216	6
9	Universitas Muhammadiyah Sumatera Utara	480	13
10	Universitas Muhammadiyah Malang	821	23
11	Universitas Muhammadiyah Prof. Dr. Hamka	621	17
12	Universitas Mercu Buana	1,077	30
13	Universitas Kristen Satya Wacana	480	13
14	Universitas Katolik Parahyangan	569	16
15	Universitas Katolik Atma Jaya Jakarta	556	15
16	Universitas Islam Sultan Agung	383	11
17	Universitas Islam Riau	374	10
18	Universitas Islam Indonesia	719	20
19	Universitas Gunadarma	1,322	36
20	Universitas Dian Nuswantoro	396	11
21	Universitas Ciputra Surabaya	143	4
22	Universitas Bina Nusantara (BINUS)	1,473	40

No	University	Population (Lecturers)	Sample (n)
23	Universitas Atma Jaya Yogyakarta	263	7
24	Universitas Ahmad Dahlan	541	15
25	Universitas Sanata Dharma	366	10
26	Universitas Katolik Widya Mandala Surabaya	400	11
27	Universitas Kristen Maranatha	426	12
28	Universitas Islam Bandung	368	10
29	Universitas Katolik Soegijapranata	345	9
Total	29 Universities	13,890	389

Source: BAN-PT accreditation data (2021), processed by authors.

3.3 Data Collection

Data were gathered using structured questionnaires distributed both physically and electronically. The instrument used a five-point Likert scale (1 = strongly disagree to 5 = strongly agree). Items were adapted from validated studies and contextualized for Indonesian HEIs.

3.4 Measurement of Variables

Each construct was operationalized into several indicators adapted from validated instruments. As presented in Table 4, the constructs, indicators, and example items are outlined along with their theoretical sources.

Table 2. Average Variance Extracted (AVE)

Construct	AVE	Status
Compensation	0.517	Valid
Work Environment	0.639	Valid
Motivation	0.586	Valid
Career Development	0.697	Valid
Retention	0.720	Valid

Source: Authors' calculation, SmartPLS output.

Table 3. Reliability of Constructs

Construct	Cronbach's Alpha	Status
Compensation	0.919	Reliable
Work Environment	0.929	Reliable
Motivation	0.940	Reliable
Career Development	0.943	Reliable
Retention	0.967	Reliable

Source: Authors' calculation, SmartPLS output.

Table 4. Measurement of Constructs

Construct	Indicators	Example Items	Sources
Compensation (X1)	Income, Financial incentives, Non-financial incentives	"My compensation is proportional to my workload."	Willis et al. (2018); Zayed et al. (2022)
Motivation (X2)	Intrinsic motivation, Recognition, Extrinsic motivation	"I am motivated to improve my teaching performance."	Pramana & Putra (2022); Abebe (2023)
Work Environment (X3)	Direct environment, Indirect environment	"My work environment supports academic productivity."	Dwipayana & Suwandana (2021); Verma (2024a)

Construct	Indicators	Example Items	Sources
Career Development (Z)	Growth opportunities, Skill enhancement	“The university provides adequate opportunities for career advancement.”	Chakrabarty (2020); Sayekti et al. (2023)
Retention (Y)	Career prospects, Reward recognition, Organization & management	“I intend to stay in this institution for the long term.”	Verma (2024a); Hassan (2025)

Source: Adapted and processed from authors' survey instrument (2023).

3.5 Validity and Reliability

As shown in Tables 2 and 3, all constructs achieved AVE values above 0.50, indicating adequate convergent validity, while Cronbach's Alpha values exceeded 0.70, confirming strong reliability.

3.6 Data Analysis

The analysis followed a two-step PLS-SEM approach:

1. Measurement model evaluation (validity and reliability of constructs).
2. Structural model evaluation (path coefficients, R^2 , predictive relevance Q^2 , and mediation effects via bootstrapping with 5,000 subsamples).

3.7 Ethical Considerations

Participation was voluntary and anonymous. Respondents were informed about the purpose of the study, and confidentiality was assured. The study adhered to ethical research guidelines under Universitas Brawijaya.

4. FINDINGS

4.1 Outer Model Evaluation

The outer model tested the validity and reliability of the constructs. Results showed that all items met the minimum loading factor of 0.60. Convergent validity was confirmed by Average Variance Extracted (AVE) > 0.50 for all constructs, while Cronbach's Alpha and Composite Reliability exceeded 0.70, confirming strong internal consistency.

4.2 Inner Model Evaluation

4.2.1 R-square and Predictive Relevance

The model's explanatory power was evaluated through R-square and Q^2 .

Table 5. R-square Results

Construct	R^2	Interpretation
Career Development	0.759	Substantial
Retention	0.867	Substantial

Source: SmartPLS output (2023).

The Q^2 value was calculated as 0.967, indicating that the model has very high predictive relevance for explaining employee retention in HEIs.

4.2.2 Path Coefficients

Bootstrapping analysis with 5,000 resamples was used to test the significance of the structural paths.

Table 6. Path Coefficients

Path	Original Sample (O)	T-Statistics	p-Value	Result
Compensation → Career Dev.	0.011	0.260	0.795	Not Significant
Compensation → Retention	0.362	8.348	0.000	Significant
Work Environment → Career Dev.	0.206	3.474	0.001	Significant
Work Environment → Retention	0.166	3.794	0.000	Significant
Motivation → Career Dev.	0.679	10.809	0.000	Significant
Motivation → Retention	0.191	3.555	0.000	Significant
Career Development → Retention	0.298	8.078	0.000	Significant

Source: Bootstrapping results, SmartPLS output (2023).

4.3 Interpretation of Results

- Compensation directly improves retention but does not significantly influence career development.
- Work environment positively affects both career development and retention, confirming its dual role in organizational sustainability.
- Motivation strongly drives career development and indirectly enhances retention.
- Career development significantly mediates the relationship between work environment, motivation, and retention, showing its central role in sustainable HRM.

Overall, the model demonstrates strong explanatory power ($R^2 = 0.867$ for retention) and predictive relevance ($Q^2 = 0.967$), underscoring the robustness of the findings.

5. DISCUSSION

The findings of this study provide strong empirical evidence for the role of work environment, QWL, motivation, and career development in shaping employee retention within Indonesian HEIs. The results highlight several theoretical and practical implications that advance the understanding of sustainable human resource management (HRM) in higher education.

5.1 Work Environment and Retention

The analysis shows that work environment significantly influences both career development and retention. This aligns with prior research indicating that supportive organizational climates improve faculty satisfaction, engagement, and long-term commitment (Abebe, 2023; Verma, 2024a). In the context of HEIs, a conducive work environment extends beyond physical infrastructure to include social and psychological support, which fosters an atmosphere of trust and collaboration (Dwipayana & Suwandana, 2021). Such conditions not only reduce turnover intentions but also contribute to institutional sustainability by stabilizing the academic workforce.

5.2 Motivation as a Driver of Sustainability

Motivation emerged as the strongest predictor of career development and a significant driver of retention. This finding is consistent with the argument that motivated employees are more likely to seek professional growth and contribute to institutional goals (Pramana & Putra, 2022). Intrinsic factors such as recognition and professional fulfillment play an equally important role as extrinsic incentives, reinforcing the multidimensional nature of motivation (Abebe, 2023). From a sustainability perspective, motivation supports the continuity of human capital, ensuring that HEIs remain resilient in the face of changing educational demands (Hassan, 2025).

5.3 Compensation and Retention

Interestingly, compensation was found to have a direct effect on retention but no significant influence on career development. This suggests that while competitive pay is essential for reducing turnover, it does not necessarily foster career growth. This result is consistent with studies highlighting that financial rewards secure short-term retention but may not be sufficient for long-term employee development (Willis et al., 2018; Zayed et al., 2022). Thus, HEIs need to balance compensation systems with policies that encourage academic advancement and professional recognition.

5.4 Career Development as a Mediator

The study underscores the mediating role of career development between work environment, motivation, and retention. Career development opportunities not only enhance job satisfaction but also foster loyalty by providing avenues for personal and professional growth (Chakrabarty, 2020; Sayekti et al., 2023). This finding supports the broader discourse that career development is a sustainability lever in HEIs, as it contributes to the long-term capacity building of academic staff. Moreover, it reflects the principle of sustainability in HRM, where institutions must invest in human capital as part of their organizational strategy (Gao & Al Mamun, 2025; Trevisan, 2024).

5.5 Implications for Sustainable HRM in HEIs

Overall, the results demonstrate that retention in HEIs cannot be secured through compensation alone. Instead, a comprehensive approach integrating supportive work environments, career development, and motivational strategies is required. This resonates with the literature on QWL, which emphasizes that organizational sustainability is achieved when institutions address the physical, psychological, and professional needs of their employees (Abebe, 2023; Hassan, 2025). For Indonesian HEIs, these findings underscore the importance of embedding sustainability principles in HRM practices to ensure institutional resilience, competitive advantage, and contributions to the Sustainable Development Goals (SDGs).

6. CONCLUSION AND IMPLICATIONS

6.1 Conclusion

This study investigated the interrelationships among work environment, quality of work life (QWL), motivation, compensation, career development, and employee retention in Indonesian higher education institutions (HEIs). Using PLS-SEM analysis, the findings demonstrate that work environment and motivation significantly contribute to career development, which in turn enhances employee retention. Compensation was found to directly affect retention but not career development, suggesting that financial rewards are important for short-term stability but insufficient for long-term professional growth. Motivation emerged as the strongest driver of career development, underscoring the importance of both intrinsic and extrinsic factors in sustaining human capital. Career development was confirmed as a critical mediator, linking organizational support and individual motivation to sustainable retention outcomes. Overall, the model explains a substantial portion of variance in retention ($R^2 = 0.867$) and demonstrates high predictive relevance ($Q^2 = 0.967$). These results highlight that sustainable HRM practices in HEIs require a holistic approach that integrates supportive environments, motivational strategies, and career development initiatives alongside competitive compensation.

6.2 Theoretical Implications

The study advances the discourse on organizational sustainability by extending the boundaries of environmental sciences to include social and institutional dimensions. It contributes to human resource and sustainability literature in three ways. First, it integrates work environment, QWL, motivation, and retention into a single empirical model, addressing gaps in previous research that treated these constructs in isolation. Second, it confirms the mediating role of career development, offering new insights into how HRM practices influence long-term retention in HEIs. Third, by situating the research within the Indonesian context, it provides evidence from a developing country setting that has been underrepresented in global sustainability scholarship.

6.3 Practical Implications

For university leaders and policymakers, the findings emphasize that competitive pay alone will not guarantee faculty retention. HEIs must invest in creating supportive organizational environments that foster collaboration, recognition, and work-life balance. Structured career development programs such as mentoring, training, and promotion pathways—are essential to enhance motivation and professional growth. By integrating these elements into HRM strategies, universities can strengthen institutional resilience and maintain a stable, motivated workforce that supports educational quality and innovation.

6.4 Policy Recommendations

At the policy level, the results suggest that national higher education authorities should incorporate sustainability-oriented HRM guidelines into accreditation and quality assurance frameworks. Incentives for institutions that successfully implement supportive work environments, QWL initiatives, and structured career development could encourage broader adoption. Moreover, aligning institutional HRM practices with the Sustainable Development Goals (SDGs) will ensure that universities contribute not only to academic excellence but also to societal well-being and long-term sustainability.

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