

Retaining Talent in Digital, Technology and Innovation Department: Key Factors Influencing Retention at a GLC in Malaysia

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Abstract: Employee retention is crucial for organizational success, especially in dynamic fields like Digital, Technology, and Innovation. This correlational study investigated factors influencing employee retention within the DTI department of a Malaysian GLC, guided by Herzberg's Two-Factor Theory. The study examined the relationship between employee retention (dependent variable) and compensation & benefits, work-life balance, career growth opportunities, and training & development (independent variables). Data was collected from a diverse sample of DTI employees using a comprehensive survey and analyzed using Statistical Package for Social Sciences (SPSS) version 29. The findings revealed no significant relationship between compensation & benefits, work-life balance, or career growth opportunities and employee retention. However, a significant positive relationship was found between training & development and employee retention. This study provides insights into the unique factors affecting retention in DTI departments and offers practical recommendations for creating a supportive work environment that enhances employee retention. Specifically, the study highlights the importance of robust training and development programs in fostering employee satisfaction, skills development, and ultimately, higher retention rates.

Keywords: *Compensation and Benefits, Work-Life Balance, Career Growth Opportunities, Training and Development, Employee Retention*

1. Introduction and Background

Employee retention is widely recognized as a critical factor in the long-term success of organizations [Hanai, 2021; Nagalakshmi et al., 2023]. It reflects the level of commitment employees feel towards their company, encompassing its values and beliefs [Krishnamoorthy & Aisha, 2022]. Recognizing the value of high-performing individuals, organizations often prioritize strategies to identify and retain such talent [Aman-Ullah et al., 2021]. This emphasis on retention stems from the understanding that skilled and engaged employees are valuable assets that contribute significantly to organizational success.

Beginning in early 2021, developed countries like the United States experienced a surge in voluntary employee departures, a phenomenon that peaked in September 2021, widely known as the "Great Resignation" [U.S. Bureau of Labor Statistics, 2021]. This period saw a record 4.4 million (3%) American workers leaving their jobs. While the number of resignations decreased to 3.4 million (2.2%) by December 2023, the trend remains a significant concern [U.S. Bureau of Labor Statistics, 2023]. This sustained pattern of employee turnover, even amidst pandemic-related challenges, highlights a pressing issue requiring further investigation. Psychologist Anthony Klotz, who coined the term "Great Resignation," suggests that events like the pandemic prompt individuals to re-evaluate their life choices [Kaplan, 2021]. This perspective is echoed by Agovino (2021), who posits that the pandemic's impact on the workforce in 2021, particularly during the recovery phase, empowered employees to seek new opportunities.

In a similar scenario, the 'Great Resignation' has also occurred in Asia. As noted by Alistair Cox, the Chief Executive Officer of Hays, the shortage arises as employees leave their current company in pursuit of more appealing work environments offering better wages and increased flexibility (Kamei, 2022). Kamei also mentioned that while the pandemic markedly hastened digitalization, indirectly led to a significant increase in technology-related roles. This surge in demand is driven by the rapid adoption of digital technologies across industries, compelling IT talent to actively seek new opportunities in more digitally driven work environments. Besides that, the employee retention issue has also been reflected in a Robert Walters survey conducted in June 2022 among 2,638 professionals from 1,131 companies, covering six Southeast Asian countries: Singapore, Malaysia, the Philippines, Thailand, Indonesia, and Vietnam. Among the professionals surveyed across

Southeast Asia, 79% expressed the intention to resign in 2021.

When an employee leaves the organization, it significantly impacts the dynamics and performance of the organization. This is supported by Pallathadka et al. (2021) highlighted that increased employee turnover poses a serious challenge, as employees are integral to every business losing key personnel can significantly impact organizational and financial growth, as well as overall stability. Moreover, employee turnover undermines an organization's ability to maintain productivity, sustain operations, compete effectively in the market, and achieve profitability (Al-Suraihi et al., 2021). It disrupts team cohesion, necessitates frequent recruitment and training, and can lead to loss of institutional knowledge, all of which increase operational costs and hinder long-term growth prospects. Hence retaining employees is essential for maintaining stability, reducing costs associated with turnover, and developing sustainable growth within the organization.

Statement of the Problem

In Malaysia, the attrition rate rose to 16.2% in 2023, up from 14.9% in 2022, reflecting evolving talent strategies and the persistent mismatch between talent supply and demand (Times, 2024). A digital talent survey by the Strategic Change Management Office (SCMO) and the Social Economic Research Initiatives (SERI) revealed that key tech roles, including Big Data Analytics, Data Science, Cybersecurity, Artificial Intelligence, and Cloud Computing, often remain unfilled for over three months. This underscores the high demand and the challenges in recruiting for these specialized skills. The inability to retain talent in these critical areas poses significant risks and potential losses for companies (Birruntha, 2021).

A GLC in Malaysia faces significant challenges in retaining employees within its Digital, Technology, and Innovation (DTI) department, where talent is highly sought after in the competitive job market. This reflects the broader industry trend emphasizing the importance of digital and technological skills in the modern business landscape. Over the past three years, encompassing both the pandemic and recovery periods, the DTI department experienced notable attrition rates of 21% in 2021, 27% in 2022, and 17% in 2023. These rates are considerably higher than those in other departments within the Corporate Support Division. Experts suggest that a healthy organization typically maintains an attrition rate of 10% or less, depending on the industry (Ercanbrack, 2023).

In the face of rapid advancements in automation and digital transformation, including the integration of technologies such as artificial intelligence, data analytics, and blockchain, private enterprises are not only compelled to adopt these innovations but also to retain employees with the specialized skills necessary to effectively utilize them. Exit interviews with employees from the Digital, Technology, and Innovation (DTI) department have highlighted key reasons for departure, including concerns about salary, limited career growth opportunities, inadequate training, personal issues, and high-stress workloads. While numerous studies have explored various factors influencing employee retention, this research specifically focuses on the relationships between compensation and benefits, work-life balance, career growth opportunities, training and development, and employee retention among DTI department employees at GLC. The findings will contribute to the existing body of knowledge on employee retention and offer practical recommendations for enhancing retention strategies.

Research Objectives

This study aims to examine the following relationships among employees in the Digital, Technology, and Innovation departments at GLC:

- The relationship between compensation and benefits and employee retention.
- The relationship between work-life balance and employee retention.
- The relationship between career growth opportunities and employee retention.
- The relationship between training and development and employee retention.

2. Literature Review

Understanding the factors that contribute to employee retention is crucial for mitigating the adverse effects of employee turnover. The Malaysia Employers Federation Salary Survey (2020) highlights the importance of

retention strategies, including offering competitive salaries and benefits, providing training and growth opportunities, and implementing flexible work arrangements (Murad, 2021).

Employee Retention

Employee retention refers to the strategic process of ensuring that employees remain with the organization for the long term (Aman-Ullah et al., 2021). It is widely recognized as one of the most significant challenges facing organizations today, as most businesses find it difficult to retain employees particularly talented employees (Haddad et al., 2023). Understanding that the retention of employees serves as a linchpin for business success, organizations are compelled to formulate and implement effective strategies to cultivate a workplace environment conducive to sustained employee commitment. Effective management of employee retention is essential for maintaining a turnover rate that is lower than industry standards (Kamselem et al., 2022). Extensive research on this topic has reached a consensus that retention is a critical strategy for preserving talent within an organization (Khan et al., 2020; Islam et al., 2022). Consequently, businesses that aim to retain their employees must develop comprehensive strategies that address various factors, including financial incentives, motivation, work environment, and health considerations (Aman-Ullah et al., 2021).

Compensation and Benefits

Employee benefits are a crucial component of overall compensation, distinct from salary, provided to employees either in full or incrementally over time. These supplementary rewards extend beyond monetary compensation and include insurance (such as group, health, family, and accident), post-retirement benefits, sick leave, vacation, and educational funds (Siyal & Garavan, 2020). Compensation and benefits are also classified as extrinsic rewards and they play a crucial role in retaining employees. It becomes a magic bullet for management to boost employee engagement, and job happiness, and ultimately lead towards retention even if they may increase operating costs (Hassan & Govindhasamy 2020). Plus, Watkins and Fusch (2022) emphasized that employers can leverage compensation and incentives to attract and retain experienced and high-performing employees.

Understanding the influence of compensation and benefits on employee retention has been a focal point for both organizations and researchers. For instance, Islam et al. (2022) found that compensation played a significant role in employee retention within the hospitality and tourism industry in Bangladesh. Similarly, Sorn et al. (2023) underscored the importance of compensation in retaining employees, noting that those who receive higher pay are more likely to remain committed to their organizations. These researches indicate that employees receiving higher pay are more inclined to remain committed to their organizations. Commenting further on this, it means an employee who feels valued both in their work and by the management are more likely to stay with the company, especially when their needs are met through various benefits.

These findings lead to the formulation of the first hypothesis (H1) of this study:

H1: There is a relationship between compensation and benefits and employee retention among employees in the Digital, Technology, and Innovation departments at GLC.

Work-Life Balance

Work-life balance refers to the degree to which employees are satisfied with both their job and family roles (Bellmann & Hübler, 2020). It involves the interaction between various aspects of an employee's life, where the balance or imbalance can have significant implications for both personal well-being and society (Roopavathi & Kishore, 2020). Recognizing the importance of work-life balance, organizations increasingly view it as a crucial factor in retaining talent (Chawla & Singla, 2021). Post-pandemic, this has become more profound and this impacts employee's work duties, and social, personal, and family commitments (Chawla & Singla, 2021; Sharma & Gupta, 2020).

To address the diverse needs of employees, there are five types of work-life balance arrangements: remote work, flextime, job sharing, and schedules of fewer than 40 hours (Half, 2023). These arrangements empower employees by providing them with control over their work schedules and workspaces. This not only facilitates the management of non-job-related responsibilities but also indirectly contributes to creating a positive work environment that fosters employee retention and loyalty to the organization (Half, 2023). Hence, to practice a harmonious work-life balance, organizations can adopt diverse policies and practices. This includes refraining from mandating overtime, discouraging the expectation of after-hours communication, introducing flexible

work schedules, and promoting the uptake of reasonable vacation time. By implementing these measures, employees gain ample time beyond their regular work hours to unwind, pursue personal interests, partake in outdoor activities, and engage in enjoyable pursuits. This approach empowers employees to manage their professional and personal lives effectively, thereby improving their work-life balance and bolstering their commitment to remain with the company (Weng et al., 2023).

Research supports this view; for example, Sindhuja and Subramaniam (2020) found a significant relationship between work-life balance and employee retention among bank employees in Sivakasi, India. Similarly, Aman-Ullah et al. (2022) demonstrated that work-life balance positively influences employee retention and reduces turnover intentions among doctors in public hospitals in Pakistan. This emphasizes the significance of promoting work-life balance strategies in the organization to enhance employee retention and overall workforce stability. This leads to the second hypothesis (H2) of this study:

H2: There is a relationship between work-life balance and employee retention among employees in the Digital, Technology, and Innovation departments at GLC.

Career Growth Opportunities

The terms "career growth" and "career development" are often used interchangeably (Houssein et al., 2020). Career growth refers to the continuous progress, experience, and skill acquisition in a specific field (Cabaya, 2023). While career growth generally refers to the cumulative progression of jobs throughout one's life, it also encompasses broader aspects of professional advancement. Career development, on the other hand, involves preparing employees for future responsibilities (Brown & Brooks, 1990). Similarly, career growth has been described as subjective evaluations of a person's career during their job with several companies (Ng et al 2005).

For companies perspective, career growth holds significance, as a deficiency in advancement opportunities ranks among the primary reasons employees resign from their positions. If retaining and engaging employees is a priority for an organization, emphasizing and prioritizing career growth serves as an excellent starting point (Wooll,2022). Concerning career growth opportunities, managers or organizations must engage in one-on-one discussions to understand their employees' career growth aspirations. Many employees express that discussions about career growth are rare in the workplace, and some lack career goals due to their intense focus on tasks, often driven by heavy workloads (Cabaya, 2023).

Further empirical research indicates that career growth opportunities significantly enhance employee retention. Tetteh and Asumeng (2022) found that career development programs substantially improved retention in Ghanaian companies, while Hussein et al. (2020) observed a positive impact on retention in Djibouti's financial sector. These findings suggest that offering career growth opportunities is crucial for reducing turnover. Therefore, the third hypothesis (H3) is as follows:

H3: There is a relationship between career growth opportunities and employee retention among employees in the Digital, Technology, and Innovation departments at GLC.

Training and Development

Training and development refer to the process of acquiring or transferring the skills, abilities, and knowledge necessary for performing a specific task (Sepahvand & Khodashahri, 2020). Cultivating new skills and knowledge in the workplace becomes paramount as organizations strive to adapt to evolving technologies, market trends, and global challenges (Al Kassem, 2021). This necessity arises so that the organization's goal can be aligned with the constant changes in the environment and technology. Companies that invest in training and development often experience higher employee retention, as these initiatives enhance employee capabilities and creativity, benefiting both the individual and the organization (Nguyen & Duong, 2020).

The importance of training in retaining employees is well-documented. For instance, Elsafty and Oraby (2022) found that training and development directly and positively influence employee retention in Egypt's private sector. This finding is supported by Aleem and Bowra (2020), who conducted a study on employee retention across various sectors, including public, private, foreign, and Islamic banks. The study revealed a significant impact of training and development on both employee retention and commitment. However, it is worth noting that a separate study conducted in Pakistan with 130 participants across different banks indicated either no or very minimal relationship between training and development and the retention of employees (Aleem and

Bowra, 2020). These diverse findings highlight the need for a nuanced understanding of the relationship between training and development initiatives and their impact on employee retention in different contexts (Khan et al., 2020). This leads to the fourth hypothesis (H4) of this study:

H4: There is a relationship between training and development and employee retention among employees in the Digital, Technology, and Innovation departments at GLC.

Underpinning Theory: Herzberg's Two-Factor Theory

Herzberg's Two-Factor Theory, also known as the Motivation-Hygiene Theory, provides a framework for understanding employee retention. The theory divides factors into two categories: motivators (intrinsic factors such as recognition, responsibility, and personal growth) that lead to job satisfaction, and hygiene factors (extrinsic factors like salary, company policies, and working conditions) that, when inadequate, cause dissatisfaction. For effective employee retention, organizations must enhance both motivators and hygiene factors. While motivators increase job satisfaction and commitment, addressing hygiene factors is crucial to prevent dissatisfaction and reduce turnover.

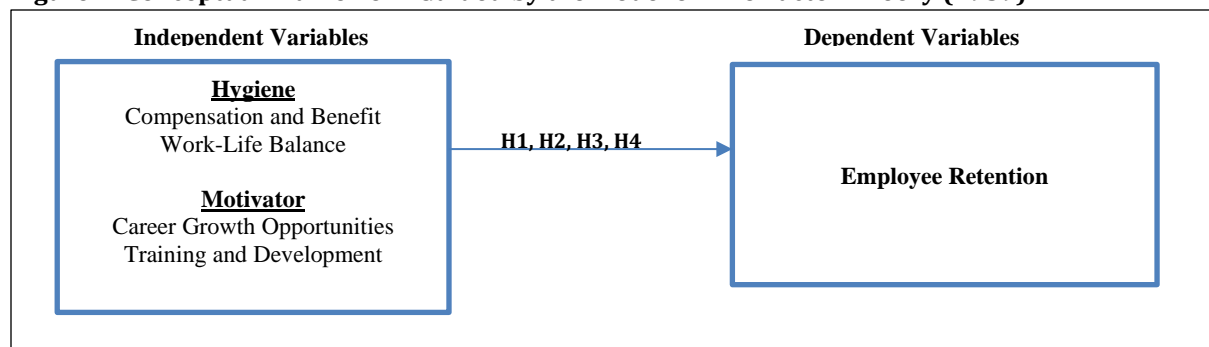
This dual approach is supported by research, such as studies by Islam et al. (2022) and Miligi et al. (2020), which emphasize the importance of recognizing both motivators and potential areas of dissatisfaction to foster organizational commitment. By focusing on both sets of factors, organizations can create a work environment that not only retains employees but also promotes their engagement and loyalty, making Herzberg's theory a valuable tool for guiding retention strategies.

In this study, particular attention is given to specific hygiene and motivator factors identified as crucial to employee retention. For hygiene factors, the focus is on compensation and benefits, as well as work-life balance, as these elements have been highlighted in the literature as significant contributors to retention. The Adecco Group's Global Workforce of the Future report (Styr, 2022) underscores that while salary is a primary consideration for employees contemplating a job change, work-life balance also plays a critical role in their decision to stay with a company. Regarding motivators, career growth opportunities and training and development are central. Providing opportunities for skill development and career advancement not only aligns with Herzberg's theory but also meets the increasing demand among employees for continuous learning and professional growth (Kang, 2021). By focusing on these factors, organizations can enhance job satisfaction and employee retention, creating a more committed and engaged workforce.

Conceptual Framework

Figure 1 presents a conceptual framework that outlines the key elements and their relationships examined in this study. Herzberg's Two-Factor Theory underpins the conceptual framework of this study, categorizing compensation and benefits and work-life balance as hygiene factors, while career growth opportunities and training and development are considered motivator factors. Employee retention is the dependent variable, and the study investigates how these independent variables influence retention outcomes. By addressing both motivators and hygiene factors, the study aims to offer a comprehensive understanding of strategies that can effectively enhance employee retention and organizational commitment, aligning with previous research (Rahman et al., 2020; Abdulkhamidova, 2021). The conceptual framework developed for this study is illustrated in the following figure.

Figure 1: Conceptual Framework Guided by the Model of Two Factor Theory (1959)



This study aims to investigate the nature and strength of these relationships through empirical analysis. Based on the conceptual framework, four hypotheses have been formulated:

H1: There is a relationship between compensation and benefits and employee retention among employees in the Digital, Technology, and Innovation departments at GLC in Malaysia.

H2: There is a relationship between work-life balance and employee retention among employees in the Digital, Technology, and Innovation departments at GLC in Malaysia.

H3: There is a relationship between career growth opportunities and employee retention among employees in the Digital, Technology, and Innovation departments at GLC in Malaysia.

H4: There is a relationship between training and development and employee retention among employees in the Digital, Technology, and Innovation departments at GLC in Malaysia.

This conceptual framework provides a comprehensive overview of the key constructs and the hypothesized linkages that will be tested in the current investigation. The findings from this study are expected to contribute to the existing literature and offer insights into the complex interactions among the variables of interest.

3. Research Methodology

This study employs a quantitative approach to identify factors influencing employee retention in the Digital, Technology, and Innovation (DTI) department at GLC, Malaysia. The sample consists of all 80 employees within the DTI department, selected through a census sampling method to ensure a comprehensive representation of digital talent.

Data were collected using questionnaires, which provide direct insights into the variables of interest. The analysis is conducted at the individual level, focusing on each employee's responses. Quantitative statistical analyses are performed to derive findings and conclusions. Data analysis is conducted using the Statistical Package for the Social Sciences (SPSS) Version 29, selected for its robust capabilities in handling quantitative research data (Rowley, 2014). Hypotheses are tested using Multiple Regression Analysis. A summary of the data analysis for each research question is presented in Table 1.

Table 1: Summary of Data Analysis

Research Question	Part From Questionnaire	Data Analysis
RQ1: Is there any relationship between compensation and benefits and employee retention among employees in the Digital, Technology, and Innovation departments at GLC in Malaysia?	Part B: Compensation and benefit Part C: Employee retention	Descriptive Analysis Multiple Regression Analysis
RQ2: Is there any relationship between work-life balance and employees' retention among employees in the Digital, Technology, and Innovation departments at GLC in Malaysia?	Part B: Work-life balance Part C: Employee retention	Descriptive Analysis Multiple Regression Analysis
RQ3: Is there any relationship between career growth opportunities and employees' retention among employees in the Digital, Technology, and Innovation departments at GLC in Malaysia?	Part B: Career Growth Opportunities Part C: Employee retention	Descriptive Analysis Multiple Regression Analysis
RQ4: Is there any relationship between training and development and employee retention among employees in the Digital, Technology, and Innovation departments at GLC in Malaysia?	Part B: Training and development Part C: Employee retention	Descriptive Analysis Multiple Regression Analysis

Pilot Study

To ensure the validity and reliability of the constructs in the questionnaire, a pilot study was conducted before the distribution of the final version. A pilot study is defined as a preliminary test to evaluate the research protocol, data collection instruments, sample recruitment strategy, and other research techniques, thereby preparing for a larger-scale study (Hassan, Schattner, & Mazza, 2006). It allows researchers to refine research

questions, identify optimal methods, and estimate the time and resources required for the full study (Ismail, Kinchin, & Edwards, 2018).

For this pilot study, 40 questionnaires were distributed to employees in the Human Resources department at GLC. Convenience sampling was employed to select respondents due to its ease of access and practicality (Etikan, 2016). Respondents from this pilot study were not included in the final research sample. A total of 30 completed questionnaires were returned. The reliability analysis revealed acceptable Cronbach's alpha coefficient values exceeded the minimum threshold of 0.7, indicating a satisfactory level of internal consistency (as shown in Table 2).

Table 2: Reliability Analysis of the variables (n=80)

No	Variables	Number of Items	Cronbach's Alpha from actual study (n=80)
Independent Variable			
1	Compensation and Benefit	7	.810
2	Work-Life Balance	6	.789
3	Career Growth Opportunities	4	.852
4	Training and Development	4	.805
Dependent Variable			
	Employee Retention	8	.821

In Table 2, all variables, including the dependent variable, demonstrated Cronbach's Alpha values of at least 0.789, indicating reliable measurements. "Career Growth Opportunities" achieved the highest Cronbach's Alpha of 0.852, reflecting excellent reliability. These findings are consistent with Lessa et al. (2020), who note that a Cronbach's Alpha value above 0.70 is considered reliable and internally consistent in research.

4. Results and Discussion

In the main study, 80 questionnaires were distributed, achieving a response rate of 100%, with all 80 respondents providing feedback. This excellent response rate suggests that the results are highly reliable and consistent.

Profile of Respondents: Table 3 displays a summary of the characteristics of the total sample of employees in the Digital, Technology, and Innovation department at GLC in Malaysia who participated in the study.

Table 3: Demographic Profile of the Respondents (n=80)

Demographic Variable	Category	Frequency (N)	Percent (%)
Gender	Female	18	22.5
	Male	62	77.5
Age	21-30 years old	24	30.0
	31-40 years old	41	51.2
	41-50 years old	12	15.0
	51 years old and above	3	3.8
Marital Status	Married	60	75.0
	Single	20	25.0
Working Experience	3 years and below	14	17.5
	4 -8 years	24	30.0
	9-11 years	10	12.5
Level of Education	12 years and above	32	40.0
	Diploma	12	15.0

Degree	61	76.3
Master	6	7.5
PHD	1	1.3

The sample is predominantly male and married, with a majority aged between 31 and 40 years old. Most respondents possess a blend of extensive and moderate work experience and hold a degree. This demographic analysis provides a comprehensive overview of the sample, highlighting the key characteristics that define this group. This demographic analysis provides valuable insights into the respondents' profiles, ensuring that the study's findings are grounded in a well-understood context of the sampled population.

Descriptive Statistics

Table 4 presents the means and standard deviations for both independent and dependent variables after factor analysis. The independent variables include compensation and benefits, work-life balance, career growth opportunities, and training and development, while employee retention serves as the dependent variable.

Table 4: Descriptive Statistics

No	Variables	N	Mean	Standard Deviation
Independent Variable				
1	Compensation and Benefit	80	3.7839	.70390
2	Work-Life Balance	80	3.7188	.78872
3	Career Growth Opportunities	80	4.1031	.82456
4	Training and Development	80	3.8563	.77006
Dependent Variable				
	Employee Retention	80	3.7688	.74101

As shown in Table 4, "Career Growth Opportunities" recorded the highest mean ($M = 4.1031$) and standard deviation ($SD = 0.82456$), indicating strong perceptions in this area even after factor analysis. Conversely, "Work-Life Balance" had the lowest mean ($M = 3.7188$) and standard deviation ($SD = 0.78872$) among the independent variables, yet it remains a significant factor. For the dependent variable, "Employee Retention" had a mean of 3.7688 and a standard deviation of 0.74101, reflecting effective scores and indicating a robust relationship with the independent variables.

Normality Analysis

Table 5 presents the normality scores for each variable following factor analysis. All variables exhibited normal distribution characteristics, with skewness values ranging from -2.366 to -1.531 and kurtosis values from 2.119 to 6.906. These values fall within the acceptable ranges of skewness (-3 to +3) and kurtosis (-7 to +7), indicating that the data for all variables adhere to the assumption of normality.

Table 5: Normality score for all variables after Factor Analysis

No	Variables	N	Skewness	Kurtosis
Independent Variable				
1	Compensation and Benefit	80	-2.366	6.906
2	Work-Life Balance	80	-1.744	2.939
3	Career Growth Opportunities	80	-1.780	3.520
4	Training and Development	80	-2.353	5.490
Dependent Variable				
	Employee Retention	80	-1.531	2.119

Pearson Correlation Analysis

Table 6 presents the results of the Pearson correlation analysis, which examines the relationships between the independent variables—Compensation and Benefit, Work-Life Balance, Career Growth Opportunities, and Training and Development—and the dependent variable, Employee Retention.

Table 6: Correlation Analysis

Variables	1	2	3	4	5
Dependent Variable					
Employee Retention	1				
Independent Variable					
Compensation and Benefit	0.043	1			
Work-Life Balance	0.034	.227*	1		
Career Growth Opportunities	-0.025	-0.1	.287**	1	
Training and Development	.283*	-0.114	-0.153	0.107	1

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

The analysis reveals that compensation and benefits have no significant impact on employee retention ($r = 0.043, p > 0.05$), suggesting that variations in compensation do not affect retention in this context. This finding contrasts with Hassan (2022), who observed a positive relationship between reward and compensation practices and employee retention in the retail industry in the Maldives, indicating that industry-specific factors may influence these dynamics.

Work-life balance also shows no significant correlation with employee retention ($r = 0.034, p > 0.05$). This suggests that increases in work-life balance for respondents did not influence employee retention. This lack of significance may be influenced by the gender imbalance in the sample, where 77.5% of respondents were male. Research by Franklin (2023) suggests that work-life balance is valued differently by gender, which may affect the results. This discrepancy highlights the need to consider gender diversity in studies on work-life balance and employee retention.

Similarly, career growth opportunities do not significantly affect employee retention ($r = -0.025, p > 0.05$). This suggests that increases in career growth opportunities for respondents did not influence employee retention. This finding is consistent with Frimayasa (2022), who reported that career development opportunities did not significantly impact employee retention in the telecommunications sector in South Tangerang. It underscores the importance of contextual factors in understanding the impact of career development on retention.

In contrast, training and development demonstrate a weak but significant positive relationship with employee retention ($r = 0.283, p < 0.05$). This indicates that training and development are important factors influencing retention. This result aligns with Kumari et al. (2022), who found a positive impact of training and development on employee retention, and Aleem and Bowra (2020), who confirmed that training and development significantly affect employee retention and commitment across various sectors. These findings collectively highlight that while compensation, work-life balance, and career growth opportunities may not significantly influence employee retention in this context, training and development play a crucial role in enhancing retention rates.

Multiple Regression Analysis

Table 7 presents the results of the multiple regression analysis assessing the impact of compensation and benefits, work-life balance, career growth opportunities, and training and development on employee retention.

Table 7: Multiple Regression Analysis

Independent Variable	Standardized Coefficients		t	Sig.
	Beta			
Compensation and Benefit	.049		.428	.670
Work-Life Balance	.094		.776	.440
Career Growth Opportunities	-.081		-.685	.496
Training and Development	.312		2.768	.007
R Square	.096			
Adjusted R Square	.048			
F	1.986			
Sig. of F Value	.105 ^b			

Dependent Variable = Employee Retention *p value < 0.05, **p value < 0.01

The results indicate that training and development have the highest standardized coefficient ($\beta = 0.312$, $p < 0.05$), suggesting it makes the most substantial unique contribution to Employee Retention when controlling for other variables. Conversely, work-life balance** ($\beta = 0.094$, $p > 0.05$), compensation and benefits** ($\beta = 0.049$, $p > 0.05$), and career growth opportunities** ($\beta = -0.081$, $p > 0.05$) show less significant contributions. The model explains 9.6% of the variance in Employee Retention ($R^2 = 0.096$), indicating that 90.4% of the variance is attributable to factors not included in this study. The F-test result (Sig. = 0.105) suggests that the overall model is not statistically significant.

Discussion

The results from employees in the Digital, Technology, and Innovation department at GLC in Malaysia concur only with H₄ which looks at whether there is a relationship between training and development and employee retention (see Table 8). Therefore, training and development affect employee retention and this could be influenced by the background of the sample in this study. A substantial proportion (40.0%) of employees have 12 years or more of work experience hence they may seek advanced training opportunities that align with their career progression, given the necessity for digital talent to adapt to industry changes and maintain agility. Additionally, the majority (76.3%) of the sample hold a bachelor's degree, which means they are educated employees and consistently seek continuous training. Therefore, training programs offering specialized skills or advanced degrees could be particularly appealing for them to remain in the organization. This finding is compatible with studies conducted by Elsafty and Oraby (2022) and Xuecheng et al. (2022) that highlight the significant role of training and development in enhancing employee retention. Effective training initiatives appear to lead to longer employee tenure, benefiting both the individuals and the organization.

It can be assumed that these employees prioritize continuous training and development, reflecting their commitment to self-improvement in response to the rapidly evolving digital and technological skills demanded in the market. This highlights an opportunity for the organization to address retention challenges by enhancing and supporting employees' professional growth initiatives through training and development.

Conversely, work-life balance, compensation and benefits, as well as career growth opportunities show less significant contributions which lead to rejection of H₁, H₂, and H₃ (see Table 8). This suggests that employees may already be satisfied with their current compensation, work hours, and career progression, or these factors may not sufficiently influence their retention decisions. The finding on work-life balance contradicts the findings in Sindhuja and Subramaniam (2020) which investigates work-life balance among bank employees and how its influence on employee retention within selected banks in a small district in India. The findings reveal a significant relationship between work-life balance and employee retention. Upon closer examination of the sample of this study, it becomes evident that the majority of respondents (77.5%) were male, comprising 62 male participants and 18 (22.5%) female participants. This gender distribution highlights a significant imbalance, with male respondents outnumbering their female counterparts. This disparity suggests that

perspectives and priorities regarding work-life balance may differ between male and female respondents, potentially influencing the overall correlation results.

On that note, a study by Durham University Business School supports this notion, indicating that women place a higher value on work-life balance compared to men, particularly at junior levels, but less so at managerial levels (Franklin, 2023). Therefore, the predominance of male respondents in the sample may have contributed to the finding that improvements in work-life balance did not impact employee retention, as the perspectives of male participants may not fully reflect the preferences and considerations of female employees. This contextual insight emphasizes the importance of considering gender dynamics when interpreting and applying findings related to organizational policies and employee retention strategies.

The rejection of H₁ which looks at whether there is a relationship between compensation and benefits and employee retention also contradicts a study by Maru & Omodu (2020) where it was found that non-monetary benefits had a moderate link with employee retention however monetary perks were found to have a strong positive correlation. The authors advise management to focus on both kinds of benefit plans to successfully encourage highly skilled employees to stay with the company. This means that, despite the population in this study setting receiving a digital scheme premium as an additional allowance on top of their regular salary, digital talent was still leaving the organization. This trend was observed even when compared to other employees who did not receive this additional benefit. The digital scheme premium was intended to provide extra financial incentives to retain valuable digital talent, recognizing their critical role in the organization. However, the fact that these employees continued to leave indicates that monetary incentives alone are not sufficient to ensure retention.

Table 8: Summary of Hypotheses

No	Hypotheses	Result
H1	There is a relationship between compensation and benefits and employee retention among employees in the Digital, Technology, and Innovation departments at UEM Edgenta.	Rejected
H2	There is a relationship between work-life balance and employee retention among employees in the Digital, Technology, and Innovation departments at UEM Edgenta.	Rejected
H3	There is a relationship between career growth opportunities and employee retention among employees in the Digital, Technology, and Innovation departments at UEM Edgenta.	Rejected
H4	There is a relationship between training and development and employee retention among employees in the Digital, Technology, and Innovation departments at UEM Edgenta.	Accepted

5. Managerial Implications and Recommendations

Employee retention is paramount to the growth and success of any organization. Since the findings of this study suggest that training and development have been identified as factors influencing employee retention, the management of any company needs to develop a comprehensive training needs analysis. This analysis should focus on identifying the specific training and comprehensive development needs of employees. Plus, a long-term plan for employee development needs to be established to reduce performance gaps.

Training need not be in a formal setting like attending training classes or seminars, but employees could also participate in job shadowing, coaching, mentoring, and project participation to enhance their skills as well as gain new knowledge. Through training, organizations can ensure that employees receive the necessary support to enhance their soft skills, technical skills, and functional skills. Additionally, furthering employees' training is crucial as it provides them with valuable opportunities to expand their knowledge base and enhance their job skills, thereby improving their effectiveness in the workplace (Herrity, 2024).

It can be assumed that when employers place high priority over continuous training and development, reflecting their commitment to encourage self-improvement among employees. This is crucial in response to

the rapidly evolving digital and technological skills demanded in the market. This highlights an opportunity for the organization to address retention challenges by enhancing and supporting employees' professional growth initiatives through training and development.

Conclusion

The objective of this paper was to establish the key factors influencing retention among Digital, Technology, and Innovation departments in a GLC in Malaysia. It was found that training and development is the most influential factor affecting Employee Retention. In contrast, compensation and benefits, work-life balance, and career growth opportunities did not significantly impact Employee Retention in this study. Future research could explore additional factors influencing employee retention, such as workload dynamics, organizational culture, and leadership styles. Investigating these elements could provide a more comprehensive understanding of employee retention strategies. Singh (2023) emphasizes the importance of considering a holistic work experience, including job satisfaction and organizational culture, to retain talent effectively.

Expanding the sample to include digital talent from various organizations within the industry could offer comparative insights and reveal industry-specific retention trends. This broader perspective would help identify common challenges and effective practices across different digital talent environments, leading to more robust retention strategies.

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