

Retaining Talent in Competitive Work Environments: Emerging Perspectives

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Abstract: In the 21st century, issues related to employee retention become one of the most serious strategic problems facing organizations. The nature of the employment relationship has changed with growing globalization, digitalization, changing demographics, hybrid working models, technological disruption, and changing expectations of employees. Modern staff want job compensation that's competitive, work that's fulfilling, psychological security, versatile workforce, profession advancement, organizational justice, inclusive workplace cultures, emotional well-being, and worth congruence with their employers. As a result, conventional retention policies rooted in monetary compensation alone have proven to be ineffective for retaining staffers over an extended period.

As a critical review, this article synthesizes the new conceptualizations of employee retention in an integrated theoretical framework using the Social Exchange Theory, Psychological Contract Theory, Job Embeddedness Theory, Organizational Support Theory, Conservation of Resources Theory, and Self-Determination Theory. This study uses the method of systematic literature review to summarize the current empirical evidence published in high-quality peer-reviewed journals, unlike traditional narrative reviews. The review highlights key drivers of employee retention, such as transformational leadership, perceived organizational support, organizational culture, psychological safety, employee well-being, flexible working arrangements, digital working environments, diversity, equity and inclusion, career development opportunities, employer branding and technological innovation. In addition, the article discusses the intricate relationship between these factors and how they all jointly affect employees' organizational attachment, engagement, commitment, and intention to stay.

The review proposes an integrated conceptual framework placing the employee retention as a multidimensional organizational capability that is affected by reciprocal social relationship, psychological resources, organizational embeddedness, and motivational processes. Drawing on the thematic analysis of recent literature, the article offers several theoretical propositions that explain how organizational practices have an impact on employee retention via mediating constructs, including trust, perceived organizational support, psychological safety, work engagement, organizational identification and intrinsic motivation.

The article makes a significant contribution to the employee retention literature in three important ways. Firstly, it provides an integrated framework for understanding multiple theories of organizational behaviour, which provides a coherent explanation for the issues of retention that are not currently provided by previous literature on retention. Firstly, it provides an integrated framework for understanding multiple theories of organizational behaviour and thus provides a coherent explanation for the issues of retention which is not provided by the previous literature on retention, which is fragmented. Second, it brings together new evidence about the current changes in the workplace, such as hybrid work, digitalization, artificial intelligence, employee well-being, and sustainable human resource management. Third, it offers a conceptual model and future research agenda that can inform empirical research in a variety of organizational settings. The results indicate that employee retention is becoming more a function of organizations' capacity to establish and maintain ethically responsible, psychologically supportive environments, technologically adaptive, and employee-centred workplaces that will promote long-term organizational commitment and value creation.

Keywords: Employee Retention; Social Exchange Theory; Job Embeddedness; Organizational Support; Psychological Contract; Employee Well-being; Organizational Culture; Hybrid Work; Sustainable Human Resource Management; Psychological Safety; Employee Engagement; Organizational Commitment



1. Introduction

Today's global business landscape has made employee retention a critical business concern instead of a routine HR job. Organizations are challenged like never before to attract, develop and retain the talent needed to compete in an environment of unprecedented change, in which technology is evolving at a fast pace, the world is becoming more global, populations are changing, and working life is getting more digital and mobile (Cascio, 2022; Deloitte, 2024; World Economic Forum, 2025). The success of organisations is increasingly linked to their employees' knowledge, creativity, innovation, adaptability, and collaborative abilities, rather than just their financial or physical resources (Barney, 1991; Collings, McMackin, Nyberg, & Wright, 2021).

In a highly competitive global landscape, employment relations have been transformed. Previous organizational structures focused on job security, hierarchical relationships, uniform career advancement, and long-term organizational commitment. But today's workplaces are dynamic, socio-economic environments that have greater occupational mobility, more employment choices, and more sophisticated expectations for their employers and personal lives (Kaufman, 2020; Gallup, 2023). In today's job market, which offers employees a wealth of prospects, employee retention is no longer just about minimizing voluntary turnover, but about an organization's capacity to build long-lasting psychological, social, and professional relationships that encourage employees to stay on when they could be elsewhere (Hom, Lee, Shaw, & Hausknecht, 2017; Jiang & Lavaysse, 2018).

Recent data shows that leaving employees to retire or leave for other positions has likewise recently costed a significant financial and organizational price. As turnover rates rise, companies face greater costs in hiring, training, and retaining new employees, knowledge loss, lower productivity, decreased customer satisfaction, loss of organizational memory, and decreased team cohesion (Hausknecht & Holwerda, 2023). Furthermore, highly skilled employees can be an important source of tacit knowledge, innovation potential, customer connections, and strategic expertise in knowledge-intensive industries that can be hard to replace if they leave the organization (Collings et al., 2021). In turn, employee retention has become inextricably linked to organizational resilience, innovation performance, knowledge management, employer reputation, and long-term organizational sustainability (SHRM, 2024).

At the same time, employees' expectations have also dramatically changed. Today's workers are far more interested in a job where they can make a difference, feel empowered and have flexible options, opportunities for further development, time for work-life balance, a sense of psychological safety, have a diverse and inclusive culture, have good management, are treated fairly, behave ethically, and constantly learn new skills (Gallup, 2023; CIPD, 2024). Many of these changes have been accelerated by the COVID-19 pandemic, as it has dramatically impacted employees' attitudes toward work, organizational support, leadership, and personal well-being (Kniffin et al., 2021). The shift to remote and hybrid work patterns, digital collaboration tools, artificial intelligence and flexible jobs have also dramatically changed employee experiences and retention policies (OECD 2023).

The recent focus has therefore been on multidimensional psychological and organizational explanations of employee turnover, rather than traditional economic ones. In recent years, research into retention has established that supportive relationships with their employer, meaningful work experiences, career opportunities, perceptions of psychological safety, organizational justice, value congruence, and opportunities for personal growth are the drivers of employee retention (Allen, Bryant, & Vardaman, 2010; Hom et al., 2017; Karatepe, Ozturk, & Kim, 2019). These views indicate that employee retention is not just a monetary issue; it is also rooted in reciprocal social exchanges, psychological contracts, organizational support, motivational factors, and the conservation of resources.

Theoretical Foundations of Employee Retention: Employee retention is no longer a one-dimensional organizational issue and is difficult to be explained by the single theory. There are many antecedents that have been found in existing research that predict retention, such as organizational culture, leadership, employee engagement, career development, work-life balance, psychological safety and organizational commitment. However, the

determinants are examined separately, which leaves theories incomplete and fragmented, and knowledge is limited and cumulative (Hom et al., 2017; Hausknecht & Holwerda, 2023). The workplace is becoming more complex, influenced by globalization, digitalization, artificial intelligence, hybrid working and employee expectations, making it essential to have a holistic theory that addresses the organizational, psychological and behavioural aspect of the workplace (Cascio, 2022; Deloitte, 2024). Given the above, the current review on the integrated theoretical framework that is Social Exchange Theory (SET), Psychological Contract Theory (PCT), Organizational Support Theory (OST), Job Embeddedness Theory (JET), Conservation of Resources Theory (COR), and Self-Determination Theory (SDT). All these complementary theories together add to the understanding of the impact of organizational practice on employee commitment, engagement, organizational attachment and long term retention.

Social Exchange Theory: The Social Exchange Theory (Blau, 1964) suggests that employment relationships rely on an exchange of valuable resources between employees and organisations. In turn, employees respond positively to the organization by showing greater commitment, engagement, and organizational citizenship behaviour, as well as greater intentions to stay (Cropanzano & Mitchell, 2005). Reciprocal obligations are fostered by positive leadership behaviours, fair treatment, positive recognition, career development, and ethical management, while negative behaviours of leaders (e.g., injustice) and leaders (e.g., lack of recognition) contribute to withdrawal behaviours and turnover intention (Allen et al., 2003; Rhoades and Eisenberger, 2002; Cropanzano et al., 2017). Organizational flexibility, quality of communication, and caring for the well-being of employees are also important markers of reciprocity as a form of exchange, adding to the importance of SET in understanding how employees stay attached to their organizations in today's hybrid and digitally mediated workplaces (Kniffin et al., 2021; OECD, 2023).

Psychological Contract Theory: Psychological Contract Theory (Rousseau 1995) is based on the idea that employees have an implicit set of expectations about their employers and vice versa. Fulfillment of psychological contracts with career opportunities, organizational support, autonomy, fairness, and professional development leads to an increase in organizational trust, affective commitment, and retention, while psychological contract breach results in decreased satisfaction, cynicism, emotional exhaustion, and intentions to leave (Conway & Briner, 2009; Zhao et al., 2007; Conway & Coyle-Shapiro, 2012). In today's workplace, ongoing psychological contract fulfillment is essential to maintain long-term employment relationships, as workers are increasingly demanding flexibility, purposeful work, diversity, sustainability, and a more integrated approach to work and life (Gallup, 2023; CIPD, 2024).

Organizational Support Theory: Organizational Support Theory (Eisenberger et al., 1986) suggests that workers form an opinion about how valued they are in their organization and how it cares for them. When an employee's perception of organizational support is high, job satisfaction is enhanced, organizational commitment is increased, work engagement is increased, psychological safety is improved, and retention is increased (Rhoades & Eisenberger, 2002; Kurtessis et al., 2017). Organizational support, employee development, employee recognition, flexible working conditions, health programs, and sustainable HRM practices indicate organizational commitment to employees, leading to lower turnover intentions and higher organizational attachment (Ehnert et al., 2016; Wang et al., 2021).

Job Embeddedness Theory: Job Embeddedness Theory (Mitchell et al., 2001) differs from classical theories on the reasons for departing the organization as it addresses the question of why people stay. The theory brings three concepts of embeddedness: links, fit and sacrifice that combine to increase the attachment of employees to their organization (Lee et al., 2014). Employees' embeddedness and voluntary turnover are also enhanced by strong interpersonal relationships, organizational value congruence, mentoring, and career opportunities, as well as social integration when employee satisfaction is moderate (Jiang et al., 2012). Organizations are also better embedded in modern hybrid work settings through digital collaboration platforms and virtual communities (Wang et al., 2021).

Conservation of Resources Theory: The theory of Conservation of Resources (Hobfoll 1989) states that employees stay when they help to conserve and build up resources, such as psychological resources, social resources, and professional resources. Chronic resource depletion is associated with low and negative psychological commitment

and turnover, as employees become more likely to leave the organization when they are overwhelmed due to excessive workloads, burnout, technological overuse, and work stress (Maslach & Leiter, 2016). On the other hand, the organizational investments in flexible work options, mental health programs, resilience programs, supervisor support, and workload management build employees' resources, promote well-being, and contribute to retention. (Halbesleben et al., 2014; Kniffin et al., 2021).

Self-Determination Theory: A theory that states that sustainable employee motivation is dependent on the satisfaction of three basic psychological needs: autonomy, competence, and relatedness is known as Self-Determination Theory (Deci & Ryan, 2000). A culture that supports participative leadership, empowerment of employees, ongoing learning, positive feedback, and purposeful work instills intrinsic motivation, organizational commitment, and long-term retention (Gagné & Deci, 2005; Ryan & Deci, 2020). Flexible working options and employee-centred management styles also contribute to employees' intrinsic motivation in modern workplaces, by promoting increased autonomy and professional development.

There is no one theory that is adequate to explain employee retention in modern organizations. Social Exchange Theory is about how relationships work between people, Psychological Contract Theory is about the subtle expectations, Organizational Support Theory is about caring in the organization, Job Embeddedness Theory is about attachment to the organization, Conservation of Resources Theory is about employee well-being and preservation of resources, and Self-Determination Theory is about intrinsic motivation. These theories collectively indicate that employee retention can be regarded as a successful outcome when the organization has reciprocal relationships, it performs psychological contracts, it provides organizational support, it increases embeddedness of employees, it maintains psychological resources, and it meets employees' needs for autonomy, competence, and relatedness.

2. Research Methodology

Systematic Literature Review (SLR): This study follows the Systematic Literature Review (SLR) approach to critically review and collate current research concerning Employee Retention in competitive workplaces. The SLR is a systematic approach that can be replicated to identify, select, evaluate and synthesize existing evidence, which is transparent and less biased than traditional narrative reviews, and increases the credibility and reliability of the results (Tranfield, Denyer, & Smart, 2003; Snyder, 2019). The main purpose of this review is to combine existing organizational behaviour theories with recent research to create a rounded theory of employee retention, by synthesising the fragmented empirical evidence.

Review method: The Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA 2020) guidelines (Page et al., 2021) were followed. The review process was undertaken in four stages: (i) determining relevant studies, (ii) sorting the studies by title and abstract, (iii) assessing eligibility of the full-text studies, and (iv) synthesis of high-quality studies by theme. The review process was methodologically rigorous, transparent and reproducible, taking into account the PRISMA framework.

Search Strategy: A thorough literature search was done across internationally renowned academic databases like Scopus, Web of Science, ScienceDirect, Emerald Insight, SpringerLink, Wiley Online Library, Taylor & Francis Online and Google Scholar. **Data Sources:** A comprehensive literature search was performed with internationally renowned academic databases like Scopus, Web of Science, ScienceDirect, Emerald Insight, SpringerLink, Wiley Online Library, Taylor & Francis Online and Google Scholar. The databases chosen were those that cover a wide range of peer-reviewed literature on human resource management, organizational behavior, psychology and management.

Various combinations of keywords and Boolean operators were used to retrieve relevant studies, such as “Employee Retention” AND “Organizational Culture,” “Employee Retention” AND Leadership, “Psychological Safety,” “Hybrid Work,” “Employee Well-being,” “Perceived Organizational Support,” “Job Embeddedness,” “Employer Branding,” and “Digital Transformation.” Only published journal articles in English language and peer-reviewed literature published between 2015 and 2025 were included in the search, with seminal theoretical papers,

such as Blau (1964); Rousseau (1995); Mitchell et al. (2001); Hobfoll (1989); Deci & Ryan (2000) included to provide the theoretical foundation of the review.

Inclusion and Exclusion Criteria: Inclusion and exclusion criteria were clearly defined to ensure the review is relevant and of quality.

Studies were included if they:

- Studied employee retention, employee turnover intention or intention to remain.
- Examined organisational, psychological, leadership or HRM factors that contribute to employee turnover.
- To make empirical presentations or important theoretical contributions.
- Were published in peer-reviewed journals in English language in the period of 2015–2025.

Studies were not included when they:

- Duplicate work was a conference paper, editorial, dissertation, book review, etc.
- Concentrated on hiring rather than keeping employees.
- Was not methodologically transparent, or research was not of good quality.
- We're not available in full-text

Quality Assessment: The methodological quality of the studies selected was assessed based on known quality criteria such as clarity of research aim, research design, sampling adequacy, reliability and validity of measurement instruments, robustness of statistical or qualitative analysis and overall relevance to the problem of employee retention. Studies meeting this quality criteria were used for final review.

Data Extraction and Thematic Analysis: The data were systematically extracted with the use of a structured review matrix that included the author(s), year of publication, country, organizational context, research design, sample characteristics, theoretical framework, determinants of employee retention, and the main findings. The extracted studies were then analysed by themed analysis (Braun & Clarke, 2006) which allowed the identification of pattern and themes emerging from the studies. The themes were transformational leadership, organizational culture, psychological safety, perceived organizational support, flexible and hybrid work, employee well-being, diversity, equity and inclusion (DEI), employer branding, digital transformation and sustainable human resource management.

Findings and Discussion: Emerging Perspectives on Employee Retention

It is found that employee retention is a multidimensional organizational phenomenon, where the interaction between leadership, organizational culture, employee well-being, career development, flexible work arrangements, technological advancement and sustainable human resource management contribute to it. While compensation and job security have traditionally been the factors that drive employee retention, recent research has begun to consider other factors, such as the provision of supportive leadership, meaningful work, psychological safety, opportunities for professional development, and value alignment between an individual and an organization (Collings et al., 2021; Hausknecht & Holwerda, 2023). Employee retention is a dynamic process, in which employees and organizations exchange influence, as it is not only an economic factor, but also a psychological, relational and organizational factor, as is shown in the studies reviewed. The themes that emerged from the thematic synthesis explain the evolution in employee retention in modern workplaces as a whole in eight themes.

3. Leadership as a Strategic Driver of Employee Retention

A key conclusion from the studies reviewed is that leadership plays a crucial part in facilitating employee retention. Previous studies mainly examined transactional leadership, with a connection to supervision and performance-based reward being linked to retention. However, recent studies have shown that the transformational, servant, authentic, ethical and inclusive styles of leadership have a significantly greater impact on organizational

commitment, employee engagement, and intention to stay (Banks et al., 2018; Eva et al., 2019; Hoch et al., 2018; Dirani et al., 2020; Collings et al., 2021; Rasool et al., 2021; Karatepe et al., 2021; Khan et al., 2022; Ahmed et al., 2023). Transformational leaders encourage employees with a common vision, empowerment, individualised support, and intellectual stimulation and servant leaders focus on the well-being of employees, trust, and personal development (Karatepe et al., 2021; Iqbal et al., 2023; Li et al., 2023).

The results of comparative analysis suggest that leadership does not directly affect retention but indirectly through promoting psychological safety, organizational trust, perceived organizational support, and work engagement. Empowering participation, affirming employee contribution and fostering open communication are unanimously found to improve retention in knowledge-driven industries (Newman et al., 2020; Rasool et al., 2021; Li et al., 2023; Qi et al., 2024). The findings are in line with the assumptions of Social Exchange Theory and Organizational Support Theory which indicate that employees return to their leaders their support in the form of loyalty and long-term organizational commitment (Cropanzano & Mitchell, 2005; Kurtessis et al., 2017; Caesens et al., 2020; Ahmed et al., 2022). Therefore, leadership has now become not only an administrative task but also a strategic organizational skill that influences employee experiences and enhances the retention rate (Collings et al., 2021; Sharma & Singh, 2024).

4. Organizational Culture and Psychological Safety

Another important factor for employee retention identified in the review is organizational culture. There were several studies conducted earlier which treated organizational culture as a contextual variable, while the current studies include it as a strategic asset of the organization which affects employee conduct, motivation, commitment and sustainability of the organization (Schein & Schein, 2021; Collings et al., 2021; Wang et al., 2022; Al Halbusi et al., 2022; Podgorodnichenko et al., 2023). Organizations that are collaborative, inclusive, learning oriented, innovative, ethical, and clear about communication generally have lower voluntary turnover rates than organizations that are rigid, have few chances for collaboration, have lower inclusion, have a low learning environment, have a low level of innovation, are not ethical, or lack clarity regarding communication (Cooke et al., 2022; Al Halbusi et al., 2022; Kim & Park, 2023; Podgorodnichenko et al., 2023).

One of the key new themes is the connection between a sense of psychological safety and employee retention. Psychological safety allows employees to share ideas, admit errors, ask for feedback, and make decisions within the organization without fear of negative consequences (Edmondson, 2019; Newman et al., 2023; Frazier et al., 2024). Based on the review, it seems psychological safety acts as a mediator between organizational culture and organizational commitment and engagement (Newman et al., 2023; Al Halbusi et al., 2022; Jiang et al., 2023). The results also suggest that psychologically safe workplaces have higher innovation, better team cohesion, and employee retention, especially in knowledge-intensive and service organizations, as evidenced from comparative evidence (Roussin & Webber, 2022; Frazier et al., 2024; Kim & Park, 2023). These results support Psychological Contract Theory and Conservation of Resources Theory that a positive organizational climate helps to maintain psychological resources and increase the trust and mutual obligations of the employees (Jiang et al., 2023; Podgorodnichenko et al., 2023).

Employee Well-being and Mental Health as Retention Strategies

Another major discovery is that employee wellness is becoming a more important part of retention strategies. While traditional retention strategies focused primarily on compensation and promotion opportunities, recent studies have increasingly pointed towards other factors as vital organizational resources, such as physical health, mental wellness, work-life balance, resilience, and emotional support (WHO, 2022; Gallup, 2023; Deery & Jago, 2024; Lu et al., 2023; Inceoglu et al., 2023). The COVID-19 pandemic accelerated this transition, by highlighting the link between employee health and organizational sustainability (Kniffin et al., 2021; Deery & Jago, 2024).

Employers that invest in wellness programs, counseling services, employee assistance programs, flexible work hours, stress management programs, and workload adjustments are at the forefront of reporting improved employee engagement, lower employee burnout rates, and decreased turnover intentions (Maslach & Leiter, 2021; SHRM, 2024;

Lu et al., 2023; Deery & Jago, 2024; Cooke et al., 2022). Comparative studies also suggest that employee well-being has become a greater concern for younger workers and knowledge workers in particular, as they become more focused on work-life integration and psychological health than on mere monetary compensation (Gallup, 2023; CIPD, 2024; Inceoglu et al., 2023; Deery & Jago, 2024). The results clearly support the Conservation of Resources Theory, which indicates that organizational practices that foster employees' psychological and emotional well-being are essential to sustainable retention (Halbesleben et al. 2022; Lu et al. 2023; Jiang et al. 2023).

Flexible Work, Hybrid Work, and Work–Life Integration

Some of the most influential developments in the literature of contemporary employee retention have been flexible work arrangements. Flexible work was once thought of as a benefit to the employee, but recent research makes it known that flexible working is a strategic HR practice that increases employee satisfaction, autonomy, organisational commitment and employee retention (Kniffin et al., 2021; OECD, 2023; Allen et al., 2021; Bloom et al., 2024; Choudhury et al., 2021; Ipsen et al., 2022). The concept of work-life integration (Allen et al., 2021; Wang et al., 2021) has shifted in the minds of employees due to the introduction of hybrid models and remote working opportunities, flexible working arrangements and digital collaboration.

The results of the comparative analysis show that flexibility is a key factor in terms of retention, as it positively influences employee autonomy, mitigates work-family conflict, and enhances employees' perceived organizational support (Allen et al., 2021; Ipsen et al., 2022; Bloom et al., 2024; De Menezes & Kelliher, 2023). But the hybrid working effect is different in different organizational environments. A general trend in knowledge-intensive industries is that they report more positive results than manufacturing and frontline service industries, where operational constraints prevent flexibility (Kniffin et al., 2021; Choudhury et al., 2021; Bloom et al., 2024). Additionally, organisations with poor digital communication and supportive leadership may find that engagement is lower even if they implement a hybrid working environment (Wang et al., 2021; Ipsen et al., 2022; Vayre, 2022). The results suggest that flexible work is most likely to be accompanied by improved retention when it is also supported by organizational trust, effective leadership, and inclusive management (Allen et al., 2021; Bloom et al., 2024; De Menezes & Kelliher, 2023).

Career Development, Continuous Learning, and Employability

One of the top indicators of employee retention is always career development. The studies reviewed show that employees are strongly interested in continuous learning opportunities, career advancement, leadership development, mentoring, and professional development opportunities (Noe et al., 2023; Cooke et al., 2022; Jooss et al., 2023; De Vos et al., 2021; Haar et al., 2024). Investing in employee learning and skill building benefits the organisation by increasing the capability of the workforce but also by providing employees with an increased sense of organizational support and future opportunities for career (Jooss et al., 2023; Cooke et al., 2022; De Vos et al., 2021).

The review also explores a trend towards career models that are more flexible and geared towards 'employability' and 'lifetime learning' rather than promotion, and how these models could be implemented. However, employees are increasingly looking for workplaces that offer reskilling, digital learning opportunities, cross-functional experience, and career mobility, instead of a fixed hierarchical career path (World Economic Forum, 2025; Jooss et al., 2023; Haar et al., 2024; Cooke et al., 2022). In terms of Self-Determination Theory, the learning opportunities increase employees' feelings of competence and intrinsic motivation, which in turn boosts organizational commitment and lower turnover intentions (Van den Broeck et al., 2021; Olafsen & Deci, 2022; Jooss et al., 2023). Comparative evidence also indicates that career development has more retention effects among younger employees, knowledge workers, and high-performing employees (De Vos et al., 2021; Haar et al., 2024; Cooke et al., 2022).

Diversity, Equity, Inclusion, and Belonging

The concept of diversity, equity, inclusion (DEI) is one of the most recently introduced trends in the employee retention literature, and so is the employee belonging. Modern companies understand the benefits of workplace

inclusion, such as improved levels of trust in the organization, collaboration, engagement, and retention (Shore et al., 2018; Nishii, 2021; Roberson, 2022; Bourke et al., 2022; Ferdman, 2023; Avery & McKay, 2021). The review reveals that the leaders who support diversity in their organizations through fair policies, inclusive leadership, fair career opportunities, and respectful workplace relationships have happier, more likely employees (Roberson, 2022; Bourke et al., 2022; Ferdman, 2023; Avery & McKay, 2021).

Importantly, the literature indicates that diversity initiatives are not enough (Gellerman, 1995; Thomas et al., 1999; Thomas and McMahan, 2001a; Thomas and McMahan, 2001b; Bickerman, 2002). With diversity, employees stay on when there is true inclusion and a sense of belonging (Nishii, 2021; Roberson, 2022; Ferdman, 2023). Organizational culture that embraces inclusion allows employees to voice their own thoughts, to be included in decisions, and build value-added relationships within the workplace, which helps to build organizational identification and decreases turnover intentions (Bourke et al., 2022; Avery & McKay, 2021; Roberson, 2022). The results of this research also support Social Exchange Theory because they show that helping organizations become more inclusive promotes reciprocation on the part of employees (Ahmed et al., 2022; Roberson, 2022; Ferdman, 2023).

Digital Transformation, Artificial Intelligence, and Employee Experience

Digital transformation has greatly changed modern approaches to employee retention. AI, digital HR, people analytics, virtual learning platforms and digital collaboration technologies are increasingly being used to enhance employee experience (Vrontis et al., 2022; Margherita, 2022; Bondarouk & Brewster, 2023; Deloitte, 2024; Strohmeier, 2022). The review reveals that technology does not just impact retention by making an organization more efficient, but it also boosts employee communication, flexibility, learning, and even provides individualized support (Margherita, 2022; Strohmeier, 2022; Bondarouk & Brewster, 2023; Vrontis et al., 2022).

However, comparative evidence gives different results. Digital technologies enable flexible working and organisational connectivity, but over-monitoring, over-connectivity and technology-induced stress and burnout can also raise employee stress and burnout (Wang et al., 2021; Molino et al., 2023; Tarafdar et al., 2022). Therefore, a successful digital transformation must take into account the well-being of employees and the support of the organization as well as technological innovation (Margherita, 2022; Bondarouk & Brewster, 2023; Strohmeier, 2022). There is a consistent connection between technology plus human-centred leadership and better employee engagement and retention results, as compared to those focused on technology alone (Vrontis et al., 2022; Deloitte, 2024; Bondarouk & Brewster, 2023).

Employer Branding and Sustainable Human Resource Management

The last theme coming from the review is related to the growing relevance of Employer Branding and Sustainable Human Resource Management (S-HRM). Organisations increasingly strive to build a good reputation with regard to their ethical leadership, employee wellness, corporate social responsibility, sustainability and inclusive culture, in order to attract talent (Ehnert et al., 2016; Tanwar & Prasad, 2021; Theurer et al., 2022; Aust et al., 2024; Podgorodnichenko et al., 2023). Numerous studies in the literature have found that positive employer branding practices lead to high levels of organizational identification, improve the attraction of top-quality employees, and lower voluntary turnover (Theurer et al., 2022, Tanwar & Prasad, 2021, Aust et al., 2024).

Sustainable HRM is not only about human resource management but also a broader approach that focuses on employee development, organizational resilience, environmental responsibility, and the well-being of stakeholders (Aust et al., 2024; Podgorodnichenko et al., 2023; Cooke et al., 2022). Research comparing organizations that have adopted sustainable HR practices with those that have focused solely on short-term performance outcomes has also shown that the former group have higher levels of employee commitment, organizational trust and workforce stability (Aust et al., 2024; Podgorodnichenko et al., 2023; Cooke et al., 2022; Guerri & Pedrini, 2022). Together, these findings point to HRM as a new paradigm for retaining employees that is aligned with organizational performance and sustainability, and employee well-being (Aust et al., 2024; Guerri & Pedrini, 2022; Theurer et al., 2022).

5. Comparative Analysis

There is a significant shift in the research on employee retention over the last decade as revealed by the systematic review. In the preceding research, employee retention was mostly viewed as a result of economic and transactional factors including salary, benefits, job security and promotion (Herzberg, 1966; Pfeffer, 1998). While these are still significant, the research of the day shows that they are no longer enough to hold people on in the increasingly dynamic and knowledge-driven workplace. Rather, recent research has consistently pointed to a combination of organizational, psychological, technological and social factors that affect retention (Cooke et al., 2022; Hausknecht & Holwerda, 2023; Podgorodnichenko et al., 2023; SHRM, 2024; Collings et al., 2021).

One of the big shifts that have come from the comparative analysis is that leadership is developing from a supervisory role to a retention mechanism. While the transactional and managerial aspects of leadership were discussed in previous studies, the studies conducted in recent years have focused on transformational, servant, authentic, ethical and inclusive leadership as stronger predictors of employee commitment, engagement and intention to stay (Banks et al., 2018; Eva et al., 2019; Dirani et al., 2020; Collings et al., 2021; Rasool et al., 2021; Karatepe et al., 2021; Khan et al., 2022; Iqbal et al., 2023). This change is due to the increasing awareness that people stay with the organization when trust and empowerment are encouraged alongside performance monitoring, along with opportunities for professional development and participation (Ahmed et al., 2022; Li et al., 2023; Sharma & Singh, 2024).

Likewise, organizational culture is now a more powerful factor affecting retention than ever before. Past research generally regarded organizational culture as a contextual background variable. In contrast, the latest research reveals that collaborative culture, ethical practices, psychological safety, and learning orientation are key factors that drive employee engagement and organizational commitment (Schein & Schein, 2021; Edmondson, 2019; Al Halbusi et al., 2022; Wang et al., 2022; Newman et al., 2023; Kim & Park, 2023). Comparative results also show that organizational culture can be a key driver of employee retention via psychological safety (Frazier et al., 2024; Jiang et al., 2023; Roussin & Webber, 2022).

The review also reveals a substantial shift in the knowledge of employee wellbeing. Given this, previous research has mainly focused on job satisfaction and financial compensation, while newer studies have turned to an increasing focus on mental wellbeing, resilience, work-life balance, preventing burnout and emotional health (WHO, 2022; Gallup, 2023; Lu et al., 2023; Deery & Jago, 2024; Inceoglu et al., 2023). In particular, companies that invest in employee wellness consistently experience higher levels of engagement and reduced turnover intentions, indicating that employee well-being has emerged as a strategic rather than a welfare-focused HR initiative (Cooke et al., 2022; Halbesleben et al., 2022; SHRM, 2024).

The other new trend is about flexible and hybrid working. Prior to COVID-19, flexible work practices were considered a “nice to have” for an organization. However, recent research has highlighted flexibility as a key retention strategy to improve autonomy, work-life balance, and perceived organizational support (Kniffin et al., 2021; OECD, 2023; Allen et al., 2021; Choudhury et al., 2021; Ipsen et al., 2022; Bloom et al., 2024). Comparative evidence, however, indicates that organizational culture, leadership capability, digital infrastructure, and employee autonomy are also vital to the effectiveness of hybrid working (Wang et al., 2021; De Menezes & Kelliher, 2023; Vayre, 2022; Bloom et al., 2024).

The concept for career development has also undergone a transformation. Previous studies found that career progressions were mainly linked to promotion. The concept of lifelong learning, reskilling, mentoring, digital competence, and employability is becoming more of a focus with contemporary research, with these being seen as critical factors in retaining employees (Noe et al., 2023; De Vos et al., 2021; Cooke et al., 2022; Jooss et al., 2023; Haar et al., 2024). Organizations that are constantly investing in personal growth are more attractive to employees than those that only provide a workplace ladder to climb up (Jooss et al., 2023; World Economic Forum, 2025; Haar et al., 2024).

The comparative analysis also reveals the growing significance of the concepts of diversity, equity, inclusion (DEI), employer branding, digital transformation, and sustainable human resource management. Although these dimensions are largely overlooked in previous research, recent findings show that the presence of inclusive organizational cultures, ethical employer reputation, digital employee experiences, and sustainable HR practices have a strong impact on organizational identification and long-term employee commitments (Nishii, 2021; Roberson, 2022; Bondarouk & Brewster, 2023; Strohmeier, 2022; Podgorodnichenko et al., 2023; Aust et al., 2024; Deloitte, 2024).

Proposed Integrated Employee Retention Model

Based on the results of this systematic review, the study suggests an Integrated Employee Retention Model which conceptualises the employee retention as a sequential process involving organizational practices, psychological mechanisms, employee behaviours and organizational outcomes. The proposed model builds on the traditional models that tend to focus more on the compensation arrangements and job satisfaction aspects, and incorporates some contemporary models such as those of digital transformation (Collings et al., 2021), employee wellbeing (Cooke et al., 2022), hybrid working, diversity and inclusion (Hausknecht & Holwerda, 2023), sustainable HRM (Podgorodnichenko et al., 2023), and SHRM (2024).

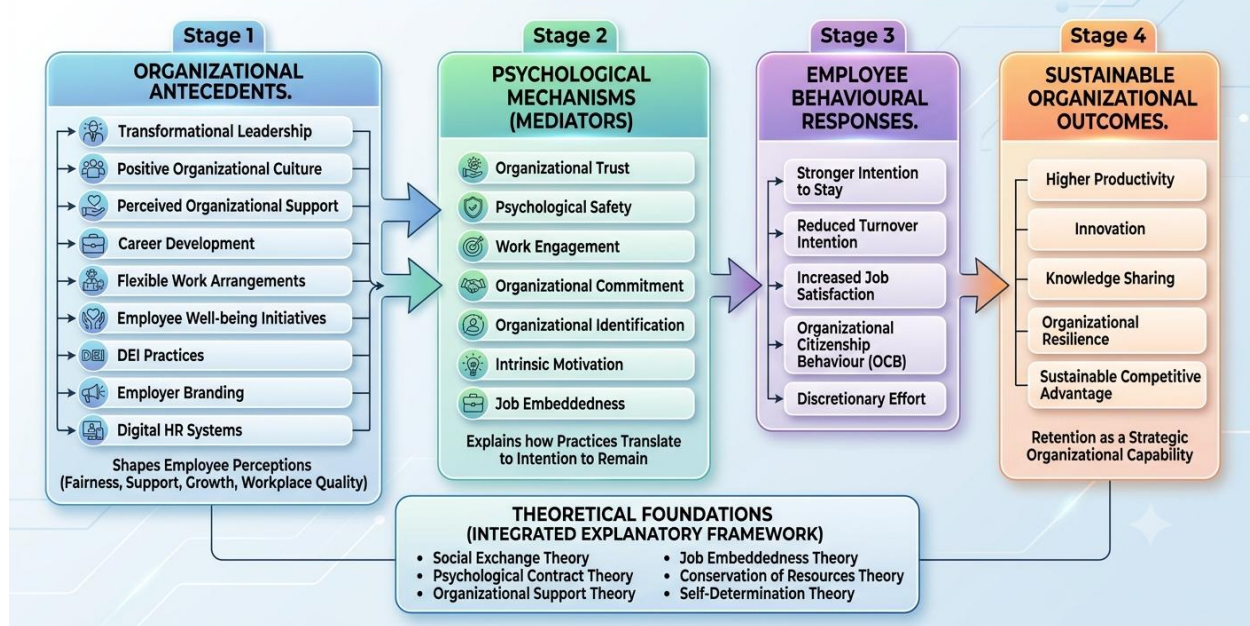
Organizational antecedents are set as the initial stage, with transformational leadership, positive organizational culture, perceived organization support, career development, flexible work arrangements, employee well-being programs, DEI initiatives, employer branding and digital HR systems as some of the factors. These practices impact employee perceptions of organizational fairness, support, growth opportunities, and workplace quality (Dirani et al., 2020; Rasool et al., 2021; Cooke et al., 2022; Bondarouk & Brewster, 2023; Jooss et al., 2023; Aust et al., 2024; Deloitte, 2024).

These organizational practices in turn induce psychological mechanisms such as organizational trust, psychological safety, work engagement, organizational commitment, organizational identification, intrinsic motivation, and job embeddedness. These intervening variables bridge the gap between organizational practices and employees' desire to stay with the organization (Kurtessis et al., 2017; Caesens et al., 2020; Al Halbusi et al., 2022; Newman et al., 2023; Jiang et al., 2023; Li et al., 2023; Frazier et al., 2024).

The 3rd stage is the employee responses such as increased intention to stay, decreased turnover intention, increased job satisfaction, organizational citizenship behaviour and increased discretionary effort. Lastly, these behavioural outcomes lead to sustainable organisational outcomes such as increased productivity, innovation, knowledge sharing, organisational resilience, sustainable competitive advantage and more (Collings et al., 2021; Hausknecht & Holwerda, 2023; Cooke et al., 2022; Aust et al., 2024; Deloitte, 2024; World Economic Forum, 2025).

The proposed model combines six complementary theories: Social Exchange Theory, Psychological Contract Theory, Organizational Support Theory, Job Embeddedness Theory, Conservation of Resources Theory and Self-Determination Theory into a coherent theoretical framework. Therefore, employee retention is not a standalone HR phenomenon, but a continuous interplay between organizational practices and employees' psychological experiences, which lead to an organization's capability (Collings et al., 2021; Cooke et al., 2022; Hausknecht & Holwerda, 2023; Podgorodnichenko et al., 2023; Aust et al., 2024).

FIGURE: PROPOSED INTEGRATED EMPLOYEE RETENTION MODEL



6. Theoretical Propositions

Based on the integrated conceptual framework and thematic synthesis, the present review advances the following theoretical propositions to guide future empirical research.

P1: Transformational, servant, ethical, and inclusive leadership positively influence employee retention by enhancing organizational trust, psychological safety, and work engagement.

P2: Organizational culture characterized by collaboration, inclusiveness, learning orientation, and psychological safety strengthens organizational commitment and reduces turnover intention.

P3: Employee well-being initiatives improve retention by preserving employees' psychological and emotional resources, thereby reducing burnout and increasing organizational attachment.

P4: Career development, continuous learning, mentoring, and employability programmes enhance intrinsic motivation and organizational commitment, leading to stronger employee retention.

P5: Flexible and hybrid work arrangements positively influence employee retention through improved work-life integration, autonomy, and perceived organizational support.

P6: Diversity, equity, inclusion, and belonging strengthen organizational identification and increase employees' intention to remain within the organization.

P7: Digital HR practices and employee-centred technological innovations positively influence employee retention when implemented alongside supportive leadership and organizational culture.

P8: Sustainable human resource management and employer branding contribute directly to long-term employee retention by strengthening organizational reputation, trust, and employee commitment.

Collectively, these propositions extend existing retention literature by integrating multiple theoretical perspectives into a coherent explanatory model capable of empirical validation.

Managerial Implications

The conclusions of this review have major implications for organizational leaders, human resource practitioners and policy makers interested in establishing longer-term employee retention strategies. The first step in retaining employees is for companies to acknowledge that it is a strategic skill of the organization, and not just an HR job. Retention policies should incorporate leadership development, organizational culture, employee wellness, career progression, and transformation with digital. Retention policies should embed leadership development, organizational culture, employee wellness, career progression and transformation with digital within an overall workforce strategy.

Second, the focus of leadership development programmes should be the competencies of transformational, servant, ethical, and inclusive leadership, which build trust, empower, create psychological safety, and engage employees. Performance measures are not the only ones used to assess leadership; other factors such as employee development and retention are also important.

Third, the organizations should invest in employee health, include mental health programmes, flexible working, employee assistance programmes, stress management programmes, and work-life balance policies. This helps build psychological resilience and minimize burnout, which contributes to sustained organizational engagement.

Fourth, organisations should develop continuous learning ecosystems, including reskilling, digital competence, mentoring and career mobility. The expectation for opportunities to learn and grow is rising amongst employees and continuous capability building is becoming a crucial retention strategy.

Fifth, organizations should build on the strength of their diversity, equity, inclusion, and belonging practices, including: equitable career opportunities; inclusive leadership; HR practices that are free from bias; and respectful workplace cultures. Employees who feel included and feel a sense of belonging are more likely to stay with their organisation.

Last but not least, organisations can use digital HR technology, people analytics and employer branding to improve the employee experience and keep their culture human-centred. Technology is to enhance, not supplant meaningful leadership, communication and employee relationships. These holistic approaches can help organizations enhance their employee retention, resilience, and sustainable competitive advantage within the evolving global business landscape.

Conclusion: From being a human resource function mainly related to compensation and job security, employee retention has become a strategic organizational capability influenced by leadership, organizational culture, employee well-being, career development, flexible working arrangements, diversity and inclusion, digital transformation and sustainable HRM. The findings presented here indicate that employee retention is a multi-faceted phenomenon which can be explained by the interaction between organizational practices and employees' psychological experiences. The proposed Integrated Employee Retention Model is a comprehensive model which integrates organizational antecedents, psychological mechanisms, employee behaviours with organizational outcomes in a unified theoretical perspective. The model combines six complementary theories on organisational behaviour to provide a comprehensive understanding of how organisations can increase employees' commitment and lower their intention to leave. Overall the study adds to the employee retention literature by suggesting a modern conceptual model for the retention of employees, guided by the evolution of the nature of work and offering benefits for future research, development of evidence-based HR practices and for sustainable organizational development in a dynamic and competitive business environment.

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