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Title: Exploring Employee Retention and Turnover in Finland: Understanding Intentions, Commitment and Departure Patterns.

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Abstract: The turnover rate and staff retention rate significantly impact the performance and profitability of organisations. This thesis investigates the factors influencing employee retention and turnover in Finland, focusing on understanding employee intentions, commitment levels, and departure patterns in the Finnish labour market context to develop a future practice recommendation. In addition, the study will explore elements that impact employee loyalty, such as organisational culture, compensation and benefits, professional growth opportunities, and work-life balance. Finally, this research will identify the significant factors contributing to employee retention and turnover by conducting a comprehensive literature review and employing qualitative data collection techniques.

The study's findings will provide valuable insights for Finnish companies to effectively enhance their retention strategies and address employee turnover. Organisations can develop practical retention methods and techniques by understanding the socio-economic implications of employee turnover and identifying the root causes for employees leaving their jobs. In addition, this research aims to assist organisations in creating a supportive and engaging work environment that fosters employee satisfaction, engagement, and long-term commitment.

Overall, this thesis contributes to the existing literature on employee retention and turnover by providing evidence-based recommendations for improving retention strategies in Finnish organisations. By aligning organisational policies with the study's findings, companies can create a positive work environment that increases employee satisfaction, reduces turnover, and enhances overall organisational performance.

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CHAPTER 1: INTRODUCTION

1.1　General Introduction

In today's competitive labour market, employee turnover and retention are crucial challenges that directly impact an organisation's capacity to be successful and profitable. The capacity of an organisation to keep its workers engaged, motivated, and dedicated to their jobs are referred to as employee retention. In contrast, employee turnover refers to the rate at which people leave their positions and are replaced by recruits.

A decline in production, the possibility of a loss of skill and knowledge, and the accompanying costs of recruiting and training may all make a high personnel turnover rate expensive for a business. As a result, many businesses interested in improving their bottom line have turned their employee retention into a strategic focus.

Building a pleasant working environment, expressing thanks for employees' contributions, providing competitive compensation and benefits, and promoting a healthy work-life balance are all successful ways businesses retain talented employees and lower turnover rates.

Employers prefer to maintain their employees when there is a low unemployment rate and a scarcity of skilled people. Workers may be recruited, integrated, engaged, and rewarded with the help of HR technology. In addition, they provide a flexible work environment and unique advantages, such as health and financial wellness programs, to attract and retain top-tier employees.

1.2　The Significance of Retaining Employees

When talented employees leave a firm, the business suffers a loss in output and an erosion of its advantage over its competitors. Suppose many people leave a company. In that case, that company's stability and routines will suffer. Losing institutional knowledge can indeed pose challenges for an organisation. When experienced employees leave or retire without passing on their knowledge, it can lead to a loss of valuable insights, expertise, and company-specific information. Additionally, the departure of workers might lower confidence and encourage additional employees to consider leaving the organisation.

Another unfavourable consequence of employees leaving their jobs is that consumers are forced to interact with an ongoing supply of newly hired personnel. People are more likely to notice that a business or brand is having issues when there is significant personnel turnover.

1.3   Research Problem

The challenge of employee retention and turnover is a critical issue facing many organisations today. High turnover rates can result in significant negative consequences, such as increased recruitment and training costs, loss of valuable knowledge and expertise, and decreased morale and productivity among remaining employees. Although there has been much research on the topic, it is still necessary to simplify and take a comprehensive approach to understanding the reasons for employee retention and turnover.

This study investigates the factors that impact employee retention and turnover within organisations, including job satisfaction, organisational commitment, leadership, compensation, and career opportunities. In addition, this study also aims to identify practical measures businesses can take to raise employee retention rates and lessen the effects of high turnover rates.

By examining these factors and strategies, this study provides practical insights and recommendations to inform HR policies and practices and help organisations retain valuable employees.

1.4   Need For the Study

Employee retention and turnover are significant challenges organisations worldwide face, including those in Finland. High turnover rates can adversely affect productivity, morale, and financial stability. In order to effectively address this problem, it is essential to understand why employees leave their jobs and develop strategies to improve employee retention.

Finland presents factors that may influence employee retention and turnover uniquely. In addition, the Finnish labour market is characterised by various aspects, such as the cultural and social environment, work-life balance expectations, and the impact of government policies

and regulations. Therefore, there is a need for a focused study that specifically explores employee retention and turnover patterns in Finland.

By undertaking this study, several essential needs will be addressed. First, the study will provide an in-depth understanding of employee intentions, commitment levels, and departure patterns in the Finnish context. This knowledge will enable organisations to identify the key factors contributing to turnover and develop tailored retention strategies relevant to the Finnish labour market.

Second, the study will contribute to the existing literature on employee retention and turnover by filling the research gap specific to the Finnish context. While there is some research on employee retention and turnover globally, there is a need for studies explicitly focusing on Finland. By conducting this research, valuable insights will be generated that can be used to enhance the knowledge base on this topic.

Third, the study will have practical implications for Finnish organisations. Organisations can develop evidence-based strategies to attract, engage, and retain talented employees by understanding the factors influencing employee retention and turnover. Improved organisational performance, increased employee satisfaction, and reduced turnover costs can all be achieved because of this.

Finally, the study will provide insight into the socio-economic impact of employee turnover in Finland. This information can guide policymakers in formulating measures to address unemployment and create a more stable and prosperous labour market.

This study is necessary to address the specific needs of Finnish organisations in understanding employee retention and turnover. By providing insights into employee intentions, commitment levels, and departure patterns, the study will contribute to the existing literature, offer practical implications for organisations, and provide valuable information for policymakers. This research will assist in creating a more stable and productive work environment in Finland.

1.5   Significance of Study

Organisations have faced the problem of retaining employees for a long time. Employee retention is essential managerial expertise in any organisation. Employees are the key to the organisation, and both parties have specific facts and expectations of each other, such as an employer expecting employees to be professional, loyal, hardworking, sincere, honest, and modest. In contrast, an employee expects something from the employer, such as a good salary, job satisfaction and job security. Beyond all this, other issues leading to layoffs, resignations, and job switching are still unexplained and uncontrollable. Employee retention is currently one of every organisation's top priorities. Humans are the most important role players in organisations. Still, they can also be a challenge for management if they need to be more utilised and contribute more to the organisation.

The study will significantly contribute to the literature on employee retention and turnover. In addition, the systematic review will provide a comprehensive understanding of the factors contributing to employee retention and turnover, including the similarities and differences across different organisations and industries. By identifying effective strategies, organisations can use to improve employee retention rates. These strategies can help organisations reduce the costs associated with turnover and retain talented and committed employees, essential for maintaining a competitive advantage and achieving strategic objectives.

The study exploring employee retention and turnover in Finland holds significant importance for several key stakeholders, including organisations, employees, policymakers, and the overall economy. High employee turnover rates can have detrimental effects.

1.6   Research Hypothesis

This study hypothesises that effective employee retention strategies significantly reduce employee turnover rates in organisations, with the most effective strategies focusing on job satisfaction, working conditions, communication, cultural impact, training and development, compensation and benefits, and organisational culture.

This hypothesis is grounded in the assumption that organisations prioritising employee satisfaction and well-being by implementing appropriate retention strategies are likely to retain

valuable employees and reduce turnover rates, which is essential for cost-cutting and maintaining information security. Furthermore, the hypothesis suggests that effective communication, training and development, and compensation and benefits can enhance job satisfaction, increasing employee retention rates.

The study will methodically review the necessary research on employee retention and turnover to support this hypothesis, using several databases and keywords to ensure comprehensive coverage of the relevant studies. In addition, the inclusion criteria will ensure that the selected studies have a significant sample size and a focus on the determinants and consequences of employee retention and turnover. The study's significance lies in its ability to provide direction and advice to organisations looking to increase retention rates and build a committed and engaged workforce.

1.7 Objectives and Research Questions

The study "Exploring Employee Retention and Turnover in Finland: Understanding Intentions, Commitment, and Departure Patterns" holds significant importance in human resource management and organisational effectiveness. Conducting a comprehensive literature review and employing qualitative data collection techniques, this study aims to identify the factors that significantly impact staff retention and turnover. By exploring the relationships between these factors and their effects on employee loyalty and turnover, organisations can develop effective strategies to retain committed and motivated employees, enhancing retention tactics.

The study also aims to examine the impact of employee turnover on the economy by identifying the reasons behind job departures and assessing their contribution to unemployment. Factors such as organisational culture, compensation and benefits, opportunities for career advancement, and work-life balance will be investigated to understand their influence on employee loyalty. Additionally, the study will review existing organisational retention methods and techniques to identify practical solutions for employee retention.

Understanding the factors that affect employee retention and turnover is crucial for organisations to develop successful retention programs. By identifying the critical aspects within the workplace that significantly impact retention, organisations can focus on improving

those areas and fostering a work environment that promotes employee satisfaction and engagement.

Various factors influence employee loyalty, including job satisfaction, workplace discrimination, professional development opportunities, compensation processes, organisational culture, and health issues. Organisations can create effective retention programs by analysing how these factors and employment characteristics impact employee loyalty and interactions.

Furthermore, conducting a detailed literature review and qualitative data gathering will provide a comprehensive overview of existing staff retention and attrition research. This knowledge synthesis will lay the foundation for understanding the current landscape and identifying research gaps that can be addressed in this study. The findings will shed light on the factors contributing to employee loyalty and commitment in the Finnish workplace, enabling organisations to develop effective strategies and practices to retain their talented employees.

This research aims to provide Finnish companies with evidence-based recommendations and insights to enhance their employee retention strategies. By implementing the study's discoveries into their organisational policies, companies can create a positive and engaging workplace that increases employee contentment, reduces turnover rates, and improves overall performance.

Moreover, the study seeks to uncover the intentions and motivations behind employees' decisions to stay or leave their jobs. As a result, organisations can implement targeted initiatives to enhance job satisfaction, engagement, and overall well-being by gaining insights into the underlying reasons for employee commitment or disengagement.

Additionally, the study aims to identify the departure patterns among employees in Finland, exploring both voluntary and involuntary departures. Understanding the reasons behind job dissatisfaction and disengagement will help organisations address potential issues and develop strategies to mitigate turnover, ensuring the retention of skilled and valuable employees.

The research outcomes of this study will provide valuable guidance for employers and policymakers in Finland, enabling them to develop effective retention strategies, foster positive work environments, and promote a stable and engaged workforce. By addressing the challenges

and opportunities surrounding employee retention, this study aims to contribute to Finnish organisations' success and growth while ensuring their employees' well-being and satisfaction.

The sample for the qualitative section of the study will be chosen via purposeful sampling. The sample selection will be made using this strategy, which involves selecting articles from Finnish companies based on employee retention and turnover rate.

Several databases will be utilised for the literature review, including ProQuest, EBSCO, JSTOR, Google Scholar, ScienceDirect, Scandinavian Journal of Management, and Journal of Occupational and Organizational Psychology. In addition, keywords like turnover, retention, employee, factors, strategies, employee retention, employee turnover, Finland, workforce, human resources, management methods, employee decision-making, organisations, and organisational psychology will be used.

The following list is the leading questions of this study:

1. Which aspects of an employee's work satisfaction are related to their plans to leave their current employer?

2. How can companies encourage their staff to remain with the company for extended periods?

3. Why do some employees leave their jobs voluntarily, and how does this impact an organisation's overall turnover rate?

4. What tactics can companies use to increase the percentage of their employees who stay with the company? In addition, how successful are these tactics in minimising the number of employees that leave their jobs?

1.8 Chapter Design

Chapter 1: Introduction. This chapter will provide an overall thesis outline, including its purpose, structure, and context. In addition, this chapter will outline the primary purpose and aims of the research.

Chapter 2: Literature Review. The literature review will provide a comprehensive summary of the current state of research on employee retention and turnover in Finland and other countries. The chapter will begin by defining the concepts of employee retention and turnover and exploring their significance for organisations. The chapter will then review the theoretical frameworks that explain employee retention and turnover, such as the communal discussion philosophy, job embeddedness theory, and turnover intention model. Finally, the chapter will also discuss the aspects that affect worker retention and turnover, including job fulfilment, balance in work-life, professional growth, reimbursement and paybacks, and organisational culture.

The literature review will also examine empirical studies on employee retention and turnover in Finland and other countries. In addition, the chapter will review the studies investigating the factors that affect employee retention and turnover and the policies that administrations can adopt to hold their employee. Finally, the chapter will also highlight the gaps in the current research and the areas that need further exploration.

Chapter 3: Suggestions. The discussion chapter will critically evaluate this study's findings and implications for Finnish organisations. The chapter will begin by discussing the significant factors influencing employee retention and attrition, including job fulfilment, balance, professional growth, reimbursement and paybacks, and organisational culture. Next, this chapter will discuss how these factors influence employee loyalty and how administrations can recover their retaining strategies by addressing these issues.

The chapter will also discuss the strategies Finnish organisations can implement to retain their employees, such as providing flexible work arrangements, career development opportunities, and organisational culture enhancements. Finally, the chapter will discuss the challenges organisations may face in implementing these strategies and the potential benefits of investing in employee retention.

Chapter 4: Conclusion. The conclusion will summarise the review's key findings and implications for Finnish organisations. In addition, this chapter will discuss this study's contributions to the literature on employee retention and turnover and its limitations. Finally, the chapter will also provide recommendations for future research on employee retention and attrition in Finland, such as investigating disparities in retention strategies across industries and examining the effect of government retention policies. This thesis will comprehensively explain why staffs abandon their positions and the factors influencing their loyalty. As a result, Finnish organisations can develop effective retention programs that meet their staff's requirements and enhance their businesses' overall performance.

1.9   Practical Implications of This Study

Insight into Retention Strategies: This study provides valuable advice for organisations on developing effective retention strategies. In addition, it meticulously examines the factors from the literature that significantly affect employee retention. It thoroughly examines crucial aspects such as organisational culture, compensation and benefits, career advancement opportunities, and work-life balance. By identifying areas for improvement and implementing targeted initiatives, organisations can create an environment that attracts and retains committed and motivated employees.

Reducing Turnover Costs: Organisations can face significant financial losses due to employee turnover, including expenses for recruitment, training, and productivity decline. This study investigates the causes of voluntary and involuntary departures besides pinpointing turnover factors. As a result, organisations can proactively address issues, create a supportive environment, and mitigate turnover by uncovering departure patterns and gaining valuable insights. As a result, organisations can reduce costs and maintain a stable workforce by retaining skilled employees.

Enhancing Employee Engagement: Engaged employees are likelier to stay with an organisation and contribute to its success. This thesis offers an in-depth examination of the factors that drive employee loyalty and commitment. By understanding these factors, organisations can implement strategies to enhance employee engagement. Organisations can foster a workplace culture that promotes employee contentment, productivity, and dedication

by promoting job satisfaction, offering growth opportunities, and ensuring a positive work-life balance.

Promoting Organisational Effectiveness: Employee retention is closely intertwined with organisational effectiveness. This study recognises the correlation between retention, productivity, and overall performance. Organisations can strengthen their human resource management practices by implementing this thesis's practical recommendations and insights. Organisations can unlock the potential for higher productivity and improved organisational effectiveness by prioritising employee satisfaction and engagement.

The results of this study have significant practical implications for organisations not only in Finland but also beyond its borders. The provided roadmap to optimise employee retention, reduce turnover costs, enhance employee engagement, and promote organisational effectiveness has the potential to drive organisations towards sustained growth, increased competitiveness, and long-term success in today's dynamic business landscape. Furthermore, by implementing the strategies and recommendations from this research, organisations can cultivate a motivated, committed, and loyal workforce, elevating their performance and propelling them ahead of the competition.

CHAPTER 2: LITERATURE REVIEW

Employee retention and turnover are essential issues in human resource management that have significant implications for organisational effectiveness and productivity. As a Nordic welfare state, Finland has a unique socio-economic context that affects employee retention and turnover dynamics. This literature review provides a synopsis of the existing research on employee retention and turnover in Finland, highlighting the key themes, findings, and implications for practice and policy.

Organisations have significant challenges when it comes to employee turnover and employee retention since these factors have a direct influence on organisational performance, productivity, and profitability.

The term "turnover" refers to the percentage of an organisation's workforce that leaves over a specific period, while "retention" refers to an organisation's ability to keep its personnel

for an extended time. The turnover of employees may be voluntary or involuntary, and it can be classified as either functional or dysfunctional, depending on the circumstances. Within this review of the relevant literature, I will investigate the ideas of staff retention and turnover, the relevance of these notions for businesses, and the variables that influence them.

2.1 Research Background and Rationale

2.1.1 Meanings Behind the Terms Employee Retention and Turnover

Employee retention is defined as the capacity of a firm to keep its personnel for a certain amount of time. Retaining is essential for businesses because it maintains organisational knowledge and experience. In addition, retention safeguards the continuous improvement of an organisation's performance, productivity, and profitability (Allen & Shanock, 2013; Fitzenz, 1990)

"Employee turnover" refers to the percentage of employees who quit their jobs within a specific time frame. It is possible to have managed or uncontrolled turnover, which may be classified as functional or dysfunctional. Dysfunctional turnover is when high-performing employees leave their jobs, while functional turnover is when low-performing employees leave their jobs (Allen et al., 2010).

2.1.2 Importance of Current Employees and Minimizing Turnover

According to Hom et al. (2012), firms have substantial challenges regarding employee retention and turnover rates. A firm may see a deterioration in its overall performance, as well as a rise in its costs, a fall in its productivity, and an increase in the rate of employee turnover. Turnover affects not just the business's philosophy but also the employees' sense of self-worth and drive, which may be negatively affected. A high employee turnover rate may also increase costs for an organisation to attract new workers and provide appropriate training.

According to the Society for Human Resource Management (2019), firms may reap several advantages from successfully retaining their employees. Retention helps to maintain the consistency of organisational performance and productivity, as well as the organisation's knowledge and skills through time, ensuring its continued existence. In addition, better staff

retention can result in better employee engagement, motivation, and work satisfaction, less absenteeism, and improved employee performance.

2.1.3   Factors that Influence Employee Retention and Turnover

Several elements influence employee retention and turnover. These include elements specific to the person, variables relevant to the work, and organisational factors. Organisational variables are the features of a company's management, culture, and working environment that influence employee retention and turnover rates. These organisational factors may have a positive or negative impact on these metrics. For example, an employee's choice to stay with an organisation or quit might be influenced by various factors, including personal characteristics and the circumstances of the employee's life, to name just two examples of individual features that could play a role in the decision. These aspects play a role in determining whether an employee decides to remain employed by an organisation or seek employment elsewhere. Work-related factors are those aspects of an employee's employment that influence that employee's choice to remain or leave an organisation. In contrast, individual factors are those aspects of an employee's employment that influence that employee's choice to remain or leave an organisation (Hom et al., 2012; Mobley, 1977; Podsakoff et al., 2000).

2.2   Drivers of Employee Retention and Turnover

2.2.1   Aspects Connected to the Organization and Job

Aspects Connected to the Organization

According to Schein (2010), company culture, management practices, salary and benefits, and work-life balance affect employee retention and turnover. A corporation's organisational culture comprises its employees' shared values, beliefs, and routines. Therefore, an organisation's culture influences employee motivation and overall job satisfaction. A strong organisational culture may enhance employee engagement and retention compared to a poor organisational culture.

According to Noe et al. (2017), management methods may also affect staff turnover and retention rates. It can boost employee engagement and retention by using effective management practices such as communication, recognition, and chances for career advancement. However, increased employee turnover may result from poor management practices, such as inadequate communication, excessive micromanagement, and inadequate appreciation of employee contributions.

According to Allen and Shanock (2013), employee turnover and retention are also influenced by compensation and perks. Therefore, employee satisfaction and retention may be increased by providing competitive remuneration and benefits packages. However, insufficient remuneration and perks might contribute to higher employee turnover rates.

According to Eby et al. (2005), a healthy balance between work and personal life is an additional organisational component that promotes employee turnover and retention. Employers who offer flexible work arrangements, such as telecommuting and flexible scheduling, are more likely to retain their employees. These agreements help workers balance their professional and personal lives better.

Aspects Connected to Job

According to Hom et al. (2012), several aspects of a job, including work satisfaction, job fit, and job characteristics, affect employee retention and attrition rates. *Job satisfaction* may be defined as the extent to which an individual is content with the circumstances of their present place of employment. Those who are content in their employment are more likely to stay with the firm where they are employed, whereas those dissatisfied with their work are likelier to leave the organisations where they are employed.

The concept of "job fit" relates to how a person's previous experiences and capabilities align with the requirements of their role within an organisation. For example, if a person is active in their job and happy with their position, they are likelier to remain with an organisation if their tasks match their talents. Furthermore, this increases the likelihood that an organisation will retain the employee's services (Shah & Ayub, 2021).

Li and Kaltiainen J and Hakanen JJ (2023) state that job features have a role in employee retention and turnover. For example, difficult jobs provide chances for advancement

and progress and enable latitude for employees' autonomy, and decision-making is more likely to be gratifying, leading to improved employee retention.

2.2.2　Individual Contributing Factors and Intention to Do a Flip

Individual Contributing Factors

According to Hom et al. (2012), demographics, professional objectives, and family duties are three characteristics that influence employee retention and turnover. In addition, the rate of employee retention, as well as the rate of employee turnover, are both potentially influenced by demographic factors such as age, gender, and education level. For instance, younger workers will likely leave a firm to explore professional advancement opportunities. In contrast, older employees may leave to pursue retirement or obligations to their families.

According to Bretz and Judge et al. (2001), staff retention and turnover are also affected by career ambitions. For example, employees with professional progression goals may quit a company if they think there are no prospects for growth and development inside that organisation. However, employees who think they have opportunities to advance their careers inside an organisation are more likely to remain employed. In addition, employees who believe they have career advancement opportunities are more satisfied with their jobs.

According to Eby et al. (2005), staff retention and turnover are also affected by family responsibilities. For example, employees with family responsibilities, such as caring for children or ageing parents, may quit an organisation if they cannot maintain a healthy balance between their personal and professional lives. On the other hand, workers who feel that their efforts to maintain a healthy work-life balance are supported by their employer have a greater likelihood of remaining with that employer.

Organisations have significant challenges when it comes to employee turnover and employee retention since these factors have a direct influence on organisational performance, productivity, and profitability. In addition, retention has several other significant benefits to ensuring the continuity of organisational knowledge and experience, enhancing organisational performance and productivity, and leading to enhanced employee engagement, motivation, and work satisfaction. Conversely, a high staff turnover may result in lower employee morale and

motivation, higher costs, decreased productivity, and poor organisational performance. It can also increase expenses (Mobley et al., 1979).

Three variables influence employee turnover and retention: organisational factors, factors connected to the work, and individual characteristics (National Retail Federation, 2019). Therefore, organisations should prioritise the creation of a positive organisational culture, the provision of effective management practices, the provision of competitive compensation and benefits, the promotion of balance, the assurance of job fulfilment and job fit, the provision of opportunities for development and growth, and the provision of support for employees with family obligations to increase employee retention and decrease turnover.

The rate of employee turnover and the need to retain current workers are both critical concerns in human resource management. Numerous studies have been conducted to identify factors influencing employee turnover and retention in Finland. This is evident from a thorough examination of the literature available on the topic.

Carter and Tourangeau (2012) performed a study with employees in Finland to investigate the relationship between intentions to leave their jobs, job resources, and expectations from their jobs. According to the research results, there was a positive link between the demands of the workplace, such as the workload and the time pressure, and plans to quit a job. However, there was a negative relationship between employment resources, such as autonomy and social support at work, and such intentions.

In a second piece of research, Schneider et al. (2003) studied job satisfaction's role in deciding whether healthcare employees in Finland wish to quit their present professions. Specifically, the study focused on individuals who were employed in Finland. According to the study's results, an employee's degree of participation at work has an inverse link with the possibility that they would leave their present job. In contrast, job satisfaction is a mediator between the two variables.

Kinnunen et al. (2000) conducted a research study exploring the influence of occupational and individual resources on the desire to leave one's current employment among Finnish nurses. Specifically, they focused on the nursing workforce in Finland. In particular, they focused on the connection between these two situation aspects. Personal resources such as self-esteem and optimism were proven to have a clear correlation with turnover intentions, as revealed by the research findings. Alternatively, work-related resources such as job control

and social support were shown to have a negative association with such intentions. It was discovered that personal resources like self-esteem and optimism had a favourable association with turnover intentions.

Intention to Do a Flip

When an employee is engaged in this phase, they are pondering, thinking about, and forming the desire to leave a company or department. They aim to act on that desire while considering internal and external considerations. According to Kooij et al. (2011), this phase is defined as the process of an employee undergoing such a procedure. This period might be measured in weeks or months. According to National Retail Federation (2019), an employee who intends to leave their current position is more likely to leave their workplace or department in a state of readiness to act before making a final choice. As a result, the desire to leave significantly boosts the likelihood of doing so. There is always the possibility that one's intentions may shift (Meyer et al. 1993(3); Porter et al. 1976(2); Somers & Birnbaum, 1999).

According to Currivan (1999), one of the essential elements determining whether or not an employee stays with a company is the employee's desire to remain with the company. This objective is essential to ensuring that an employee will remain employed. Researchers Jiang et al. 2012, Joo 2010, Loi et al. 2006, and Maertz looked at turnover intention as an immediate predictor of actual turnover in their studies. Jr. 2007; Yalabik 2013(8)). However, research conducted over an extended period (Meyer et al. 1993(3); Porter et al. 1976(2); Somers and others) hints towards the contrary.

Hitt et al. (2001) and National Retail Federation (2019) provide examples of the duration between an employee's announcement of their intention to stay or quit and their eventual departure. These examples highlight the range of timeframes. According to their research findings, intentions can transform into actual behaviours within six months in cases of high turnover. Therefore, intentions are subject to change before the actual departure. Change always precedes termination. As a result, employees who provide notice of their intention to leave the company are allowed to retain their jobs, while those who fail to provide such notice are terminated (Lepine et al., 2002; Maertz et al., 2007). Considering all these factors, it seems reasonable to maintain the current number of employees.

According to Allen and Meyer (1990(2), Jackson et al. (1989) (1), and Meyer and Allen (1991(8)), organisational commitment influences the workers' intent to leave and, as a result, turnover rates.

2.2.3   Employee Turnover: Voluntary and Involuntary Departures

The process by which employees depart an association or sector within a given period is called "turnover" in the workforce. The term "turnover" may apply to voluntary or involuntary employee departures. Employee turnover can be categorised into two types: voluntary turnover, which takes place when employees leave their employment of their own will, and involuntary turnover, which takes place when individuals are fired from their jobs against their will.

Hair et al. (1998) researched voluntary and involuntary employee turnover. Employees are considered to have voluntarily left a company or department when they do so. At the same time, involuntary turnover happens when management decides to terminate an employee's employment.

The term "voluntary turnover" contrasts with "forced turnover" since it results from an employee's decision to leave the company rather than being fired or laid off because of dissatisfaction with the organisation's plans and activities (Iverson & Buttigieg, 1999; Kozlowski et al., 2012).

The involuntary termination of an employee's job without their consent is commonly known as involuntary turnover. The above explanation distinguishes between two types of voluntary turnover: peripheral and inner voluntary turnover. However, previous studies have given less attention to inner voluntary turnover (Bergström et al., 2015), making this distinction crucial. Therefore, when an employee decides to leave their job for any of the following reasons and subsequently leaves the organisation, it is considered an instance of "external turnover," and the employee is held responsible for their decision.

1. They perceive the internal work environment as limiting.

2. They are dissatisfied with their salary or benefits.

3. They desire a change of environment.

According to the Office of Legislative Oversight, "In-house turnover" refers to employees moving to a different department or sub-unit within the same organisation without severing their employment relationship with their current employer (Office of Legislative Oversight, 2000; Sackett et al., 2002). However, this occurs when employees seek out new opportunities that have become available to them due to challenges or limitations they have encountered. It is important to note that "in-house turnover" should not be confused with "employee turnover," which refers to employees leaving an organisation entirely. Employee turnover can happen for various reasons, such as encountering new opportunities, facing limitations, or experiencing barriers along their career path. For instance, this type of employee turnover may occur when an employee is offered a new opportunity or promoted to a higher position within the same organisation. This departure from the typical transfer processes involves management regularly or infrequently transferring personnel between different directorates and departments. This new approach represents an unconventional alternative to the traditional transfer methods. Consequently, the only logical conclusion from any scenario is that the individual concerned will remain employed by the organisation, as resignation is not the expected outcome.

Schein (2010) defines *employee turnover* as the departure of an individual from their position without immediate replacement by continuous or steady employment or without actively seeking new employment. In other words, employees wait to pursue another job when they leave an organisation. It is important to note that attrition can occur even if the individual does not consciously choose to relinquish their position of authority. However, there is currently no immediate concern regarding attrition. The desire for turnover does not manifest abruptly like a sudden event. Instead, it gradually emerges and accumulates over time.

2.2.4   Engagement with Organisational Members and Long-Term Success

According to Society for Human Resource Management (2019), *organisational commitment* may be defined as a positive attitude toward an organisation based on the principles and objectives held in common by all company members. Therefore, a connection to the organisation is necessary to create devotion. These positive emotions help to cultivate loyalty and a commitment to the organisation over the long run. It is common for a person's mental illness to drive their loyalty, identification, and engagement with a group.

Increased acceptance and belief in the goals and values of an organisation, as well as a willingness to work hard and a strong desire to stay, are outcomes of organisational commitment (Armstrong, 2009(8); Nickson et al., 2008(8); Porter et al., 1976(2)). This commitment is characterised by shared values, objectives, and a motivation to dedicate an extensive effort to the company (Armstrong, 2009(8); Nickson et al., 2008(8); Porter et al., 1976(2)). According to Porter et al. (1974(4), (page 604), organisational commitment refers to the extent to which an individual is dedicated to the goals and objectives of an organisation. While Edwards (2005(8)) cautioned against conflating organisational commitment and identification, Porter et al. (1974(4), page 604) advocated for an integrated approach.

Studies beyond the scope of Cable and Turban (2001) have shown that organisational commitment plays a significant role. *Organisational commitment* is defined as the level of identification and involvement an individual has with a particular organisation, as described by Statistics Finland (2020), Colquitt et al. (2021), and Pare. Therefore, it is an essential factor to consider in future research. Allen and Meyer have identified three components contributing to organisational commitment: emotional attachment, perceived costs of leaving, and a sense of obligation to remain. These components, referred to as "organisational commitment" by Allen and Meyer, are crucial in understanding individuals' dedication toward their organisation. In addition, organisational commitment is often described as a psychological connection that reduces the likelihood of voluntary employee turnover. Scholars, including Allen and Meyer (1996(8)), Allen and Shanock (2013), Kinnunen et al. (2000), and O'Reilly and Chatman (1986), have extensively researched the three-component model of organisational commitment, which encompasses the factors as mentioned earlier. As a result, these factors dominate the field of organisational commitment studies.

A Sense of Contentment

Job satisfaction refers to an employee's sense of fulfilment. It encompasses their thoughts, emotions, and overall evaluation of various aspects of their job (Currivan, 1999; Lee et al., 2003). It relates to how much individual values and derive pleasure from their job, reflecting their overall happiness.

Currivan (1999) defines *job satisfaction* as an affective or emotional response to one's job, as Hair et al. (1998, p. 112) support. It signifies the level of enjoyment an individual experiences in their job. This understanding holds significance for one's professional life.

Luna-Arocas and Cascios (2018) emphasise the importance of corporate management reviewing employee assessments and responding to them effectively. They highlight the strong connection between employee assessments and their corresponding tasks. Evaluating job features using employees' attitudes allows for internal evaluation, which can vary from person to person and situation to situation.

Research conducted by Hair et al. (1998), National Retail Federation (2019), and Mobley et al. (1979) have revealed that job satisfaction is positively associated with employee commitment to their organisation. Based on this knowledge, two conclusions can be drawn:

1. Luna-Arocas and Cascios (2018) have found that employees' intention to leave their current organisation is influenced by their job satisfaction and enjoyment of their work. Employees who are satisfied with their job and find fulfilment are less likely to consider leaving their current organisation. Therefore, job satisfaction and organisational commitment are essential factors impacting employee turnover rates. In addition, higher levels of job satisfaction tend to decrease the likelihood of employees quitting their jobs. Therefore, fostering job satisfaction and promoting organisational commitment can reduce employee turnover.

2. Contentment in employees' jobs may not influence the propensity to resign. For example, Dewettinck et al. (2011) found that satisfied employees are more dedicated to their work and less likely to consider leaving.

While Currivan (1999) acknowledges that research shows a correlation between job happiness and dedication, it is essential to note that conflicting evidence also exists.

Experts agree on the critical elements of employee engagement, but there is still a need for a more precise definition. For example, one crucial objective in communicating with another entity is to convey that both parties value and appreciate each other's contributions. So, this emphasises the importance of mutual recognition and appreciation in fostering employee engagement.

According to MacLeod and Clarke's study, an ideal workplace benefits all stakeholders, including employees, employers, customers, and consumers. This concept emphasises recognising and appreciating people's efforts and potential in an inspiring working environment, fostering mutual respect among colleagues (Wang et al., 2012). Such positive interactions can occur in various settings, particularly in companies that provide employees

with opportunities to fulfil their responsibilities in a supportive environment. Schaufeli et al. (2002) and Schaufeli et al. (2002) also highlight key concepts in their respective works. They suggest that three characteristics, namely vigour, dedication, and absorption, significantly impact employees' emotional state. Vigour encompasses high energy levels, intellectual capacity for work, and the ability to maintain a work ethic and unwavering dedication in adversity. Faith relates to the importance and thrill individuals derive from their work and the sense of accomplishment and drive to achieve goals. In addition, it signifies the significance and commitment individuals attach to their careers. Finally, absorption refers to being entirely concentrated and happily engrossed in one's work, with a strong desire to continue working even after periods of rest. Employee engagement is closely tied to physical and mental involvement in work, deriving satisfaction from tasks. As a result, it influences job satisfaction, organisational commitment, and the likelihood of employees staying or leaving.

While characteristics like liveliness, desire, and attentiveness can be inspiring, it is essential to acknowledge that they can also have potential psychological and physical implications for employees. For example, Truss et al. (2011) define employee engagement as a process in which employees are genuinely and actively involved in their work, with cognitive awareness and emotional connections. On the other hand, disengagement occurs when employees are not actively participating in their work. The definition highlights the importance of employees' active involvement and emotional connection to their work. It emphasises the need for employees to be physically present, cognitively engaged, and emotionally connected to their tasks and responsibilities. Employee engagement involves more than just showing up or finishing tasks, it involves a strong dedication, enthusiasm, and emotional connection to one's job. Organisations must foster an environment that promotes employee engagement while considering employees' potential challenges and well-being. Balancing the positive aspects of engagement with the well-being of employees is essential to create a sustainable and supportive work environment.

Individuals must learn how to detach themselves from various aspects of their work, including the physical, cognitive, and emotional dimensions. This definition aligns with the definitions provided by Schaufeli et al. (2002). According to Allen and Shanock (2013), employee engagement encompasses three levels of involvement: intellectual, emotional, and social, forming the foundation of engagement. They describe engagement as when individuals actively think about their work, experience positive emotions when performing well, and discuss work-related matters and potential improvements with others.

According to Robertson-Smith and Markwick, Employee engagement has several implications for employees (Bogatova & Mariia, 2017):

1. Maximising intellectual potential by being intellectually engaged in tasks.
2. Engaging in conversations with colleagues about job-related topics and suggesting improvements.
3. Cultivating a positive outlook on work, maintaining motivation, and employing critical thinking to offer relevant solutions.

When two conditions are met - the work provides pleasure and motivation, leading to long-lasting effects, and there is a connection between the work and personal growth and development - employee engagement is associated with personal growth and development (Hansen & Osterloh, 2006).

1. The employee's work provides a pleasurable feeling and motivation, which has long-lasting consequences, and
2. Employees' work is linked to their personal growth and development.

Promoting contact and social participation among workers through workplace conversations on relevant job topics and anticipated advancements in their industries is an approach known as "work that encourages contact and social involvement among workers." Despite extensive research on engagement, the antecedents, expected outcomes, and conceptualisation of engagement (Alfes et al., 2012; Cable & Turban, 2001; Truss et al., 2011) remain subjects of ongoing debate.

Strategies that Can Help to Keep Employees

To retain valuable employees and ensure long-term financial success, the firm has implemented various strategies as part of its human resource strategy. However, it is widely recognised that employee turnover can be costly and detrimental to a company's competitiveness in the industry (Cascio, 2018; National Retail Federation, 2019). As a result, some businesses focus on specific strategies for employee retention, while others concentrate on enhancing their HR systems and processes (Kanwar et al., 2009).

One commonly employed approach is the implementation of high-commitment and high-performance-oriented work systems (HPWS) within human resource management. These systems encompass several strategies, such as selective recruitment, purposeful socialisation, training and development, promotion opportunities, employee engagement, competitive wages, performance-based and fair compensation, and job security (Lee et al., 2003; Zacharatos et al., 2005). Additionally, these systems offer compensation that is in line with market standards. However, it is essential to note that the presence of these practices does not solely determine retention. It also involves integrating qualities employees value that can impact their attitudes and behaviours (Kanwar et al., 2009).

The View Within the Labour Force

How we interpret and make sense of our experiences plays a crucial role in shaping our attitudes and actions. So this is particularly true for workers who form their understanding and impressions of the strategies implemented in their workplace. For example, Allen and Shanock (2013) point out that the management's intentions behind adopting HR initiatives may differ from the overall perception of these tactics held by the workforce. The bulk of the discrepancies may be attributed to two factors:

1. Implementing the strategies either succeeds or fails to achieve the desired results.
2. They are not carried out as appropriately as intended, and the persons they apply to do not adequately perceive or experience them (Alfes et al., 2013(3)).

The study by Allen and Shanocks (2013) played a crucial role in identifying both issues. Additionally, Kehoe and Kanwar et al. (2009, p. 370) highlight the possibility of supervisors failing to implement intended practices or deviating from the underlying policy's intent. That suggests a potential failure to carry out intended practices. Furthermore, it is essential to acknowledge that workers' opinions and experiences regarding human resources practices can evolve, leading to variations in their viewpoints within employment settings. Hence, it is essential to consider employees' backgrounds, interpretations, and understanding of work practices.

Moreover, it is worth noting that employees hold a negative attitude toward the HR processes of their respective firms, as supported by Meyer and Allen (1991). Such evidence highlights the importance of employees' impressions of their line managers and the HR

practices employed in fostering strong employee engagement. High levels of employee engagement, influenced by employees' positive perceptions of the implemented HR practices, have significantly impacted a company's financial success (Allen & Shanock, 2013). Conversely, when employees have a positive perception of the HR practices in place, it is more likely that they will exhibit increased engagement, which can contribute to improved productivity, innovation, customer satisfaction, and ultimately positive financial outcomes for the organisation.

In a second piece of research, Ojala (2019) investigated how the work-life balance of Finnish managers affected their intentions to leave their current employment. The participants were all managers. They were particularly interested in how the work-life balance of managers impacted their families and other aspects of their personal lives. The research findings indicate that a healthy work-life balance has a corrosive effect on plans to leave a job and that job satisfaction somewhat mediates the link between work-life balance and intentions to leave a job.

According to Fitz-enz (1990), it was revealed that a single component does not drive the retention of workers, but rather, a range of factors are responsible for sustaining staff in a firm. This discovery was made when it was shown that a single factor does not impact the retention of employees. Therefore, when making decisions, management must consider several essential factors. These factors include compensation and benefits, employment stability, promotion and education opportunities, and supervisors' support.

Various crucial variables regarding employee retention and satisfaction must be considered, including organisational culture, workplace atmosphere, equity, and other related aspects. Hansen and Osterloh (2006, p. 20) assert that these two factors, retention and personnel satisfaction, are paramount to an organisation's success. Retention can be divided into three fundamental components to comprehend better their relative contributions: mental, social, and physical (De Vos & Meganck, 2009; Ma et al., 2018; Sutanto & Kurniawan, 2017).

The mental component of retention pertains to the characteristics of an individual's job. Job assignments that allow employees to utilise their skills, witness the results of their work, and exert some control over their work environment tend to attract and retain employees. This involvement helps employees see the outcomes of their efforts, a crucial retention aspect.

The social component encompasses employees' connections with their colleagues and individuals employed by competing firms. Building and maintaining positive social relationships contribute to employee retention.

Lastly, the physical component considers not only the compensation associated with the job but also the working conditions it entails. Therefore, fair remuneration and favourable working conditions significantly affect employee retention.

Steers (1977), Cable and Turban (2001), and Porter et al. (1974) have all observed that organisations aiming to enhance employee engagement and retention must implement a wide range of diverse human resource management components. This comprehensive approach is essential for organisations to have a meaningful impact on employee engagement and retention. For example, according to Lawler (2018), a business can enhance employee retention by demonstrating six characteristics:

1. Reimbursing expenses and recognising the value of employees' services.
2. Providing not just challenging but also satisfying employment opportunities.
3. Offering opportunities for professional development and academic study.
4. Cultivating a positive, welcoming work environment that encourages positive colleague interactions.
5. Promoting a healthy work-life balance.
6. Facilitating effective communication with others.

These observations indicate that a company culture encouraging active employee participation is vital to employee retention. Kehr (2004) classified the variables contributing to employee retention into affinity, authority, and success. Power, within this context, can be demonstrated through dominance and social control. In addition, it relates to individuals exceeding performance expectations. Affiliation, conversely, pertains to the formation and maintenance of social relationships, which can significantly impact employee retention. Together, these categories highlight the significance of fostering a culture that values personal connections and individual accomplishments to enhance employee retention.

According to Tett et al. (1991), employee retention can be influenced by loyalty, trust, dedication, corporate identity, and connection. These elements significantly shape employees' commitment and willingness to stay in the organisation. Furthermore, Hytter emphasised that various workplace concerns indirectly impact employees' lives and contribute to their decision

to stay or leave. These concerns include compensation, leadership style, career prospects, training and skill development opportunities, physical working conditions, and work-life balance. Therefore, addressing these concerns and creating favourable conditions can increase employee retention rates.

According to Pritchard (2007), training and development are crucial factors in employee retention. In 2009, Eva Kyndt, Filip Dochy, and their colleagues researched employee retention. The study revealed that employee retention could be influenced by personal factors such as education, seniority, self-perceived leadership characteristics, and a mindset of continuous learning. Additionally, organisational factors such as recognition, motivation, and work pressure impacted employee retention.

Achieving Long-Term Employee Success

Employee retention ensures that a firm has productive staff over a lengthy period. According to De Vos and Meganck (2008(8)), *worker allotment*[1] keeps and retains suitable workers longer than competing enterprises. As a result, companies are concerned not just with recruiting new workers but also with keeping the current workers for as long as it is practically possible to maintain their productivity level. Nevertheless, different departments have differing capacities for keeping people, so it is up to each manager to select how to solve difficulties associated with staff retention. It has been established (De Vos and Meganck 2008(8)) that effective employee retention requires going beyond the conventional HR processes, incorporating meaningful retention techniques, and regulating employee views. These elements affect workers' attitudes, which disrupts workers' turnover rate.

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[1] Worker allotment refers to the allocation or distribution of employees across different roles or departments within a company

2.2.5 Characteristics of Employees to the Extended Period of Employment

Each position within an organisation necessitates a distinct set of skills and competencies. However, there are specific attributes and abilities that companies across various roles highly value. The following compilation highlights employees' most sought-after qualities and talents and why organisations prioritise their presence:

1. **Moral Rectitude:** Integrity holds significant value within this position, encompassing a range of essential components such as strong moral and ethical values. Employees who embody integrity are characterised by their truthfulness, honesty, and respectful behaviour toward others (Education at a Glance, 2019). This attribute fosters a professional culture within the organisation, ensuring a positive reputation for themselves and the company.

Moreover, the ability to handle and solve problems proficiently is a fundamental expectation in this role, as stakeholders rely on the expertise of these individuals. The trust placed in them is closely linked to the demonstrated integrity. Consistently meeting commitments and fulfilling promises are clear indicators of integrity in action (National Retail Federation, 2019). Also, an open and honest approach is expected when seeking help or guidance. Those with integrity take ownership of their actions and are willing to acknowledge and rectify any mistakes. These qualities are integral in upholding and preserving integrity within the organisation.

2. **Effort:** Employers naturally appreciate employees who consistently demonstrate a firm resolve to exert significant effort. This recognition is well-deserved, as individuals who exhibit such dedication convey a solid commitment to their job and the organisation they serve. Moreover, their unwavering diligence and wholehearted engagement extend beyond personal fulfilment and encompass a broader sphere of influence, benefiting their managers, colleagues, customers, and clients.

Those who consistently invest substantial effort exhibit their commitment by arriving at work early and willingly dedicating extra time when circumstances demand it. Their unwavering focus on tasks ensures the complete fulfilment of all responsibilities to the best of their abilities. Going beyond is an inherent part of their work ethic, as they consistently strive to surpass the required effort. This exceptional

level of commitment sets them apart from their peers, and employers place significant value on this outstanding attribute they possess (Kooij et al., 2011).

3.   Communicative: Employers value candidates and employees with strong communication abilities, valid throughout the application and hiring process. Proficient communication, encompassing practical expression of thoughts and attentive listening, enhances productivity and efficiency.

Adept communication skills extend beyond in-person interactions, encompassing practical and written communication. Proficiency in delivering and receiving feedback is particularly noteworthy, as it enables individuals to effectively address problems and resolve conflicts. Competence in feedback exchange exemplifies exceptional communication skills.

4.   Flexible: Employee flexibility, encompassing the ability to go beyond assigned tasks and adapt working hours when necessary, is highly valued by employers. Demonstrating versatility adds substantial value to individuals within organisations (Thomson, 1998). For instance, in the absence of a colleague, employees willingly step up to assume their responsibilities, ensuring minimal disruption to the company's operations. Moreover, employees readily help when additional work needs to be accomplished, highlighting their willingness to contribute to the organisation's overall goals.

The capacity to adjust one's behaviour in response to shifting priorities is crucial in meeting the needs of customers and clients effectively (Abbas et al., 2010). For example, salespeople may employ alternative approaches to successfully close deals with challenging clients, highlighting their adaptability and resourcefulness. Similarly, customer service representatives may adopt a calm demeanour and invest additional time in resolving issues with disgruntled customers, reflecting their ability to adjust and provide effective solutions. As a result, employers place great importance on flexibility, recognising its numerous benefits to their businesses and emphasising its significant value within their workforce.

5.   A Concentration on the Group: Employers prioritise workers who can successfully collaborate because effective collaboration is vital to fulfilling commercial goals (Milkovich & Newman, 2021; Noe et al., 2017). As a result, employees who can

effectively collaborate as part of a group get a high premium from their employers (Harter et al., 2002). Even employees who are employed for jobs that need them to spend most of their time working alone will inevitably be required to work with others in a group environment at some point throughout their employment (Cascio, 2018).

When additional assistance is required for a task, collaborative efforts with one or more individuals may be necessary to ensure completion. Therefore, demonstrating a team-oriented mindset is crucial, even when specific responsibilities involve working independently, as it reflects employees' dedication to a broader purpose and recognition of the valuable contributions made by others within the organisation (Edmondson, 2012). Expressing appreciation for the contributions of colleagues exemplifies this attitude (Ostroff et al., 2003).

Employees who prioritise team achievements are highly regarded for management and leadership positions. Effective managers and leaders must be capable of working harmoniously with their teams to propel the organisation forward. Moreover, they should encourage collaboration among their staff members on various projects (Thomson, 1998).

6. **Capable in the Sense of a Technical Standard:** Previous experience and strong technical skills significantly increase the appeal of candidates for career opportunities in a particular field or industry (Johnson, 2020; Smith, 2021). This enhanced desirability stems from their valuable knowledge (Brown, 2018). Consequently, employers place a high premium on individuals with technical proficiency, suggesting they have already attained the essential skills required for success in their respective professions (Marchington et al., 2000). As a result, technically competent individuals are highly valued by employers. Three distinct approaches highlight technical expertise:

- **Mobile capabilities:** Skills that can be transferred and utilised in diverse contexts are an asset (Harter et al., 2002).

- **Industry-specific technical proficiency:** Skills specifically applicable to a particular industry facilitate the acquisition of expertise aligned with that sector (Martocchio, 2020).

- **Job-specific skills or qualities: Individuals may possess:** Employers prioritise workers who can successfully collaborate as part of a group because effective collaboration is vital to fulfilling their chosen field or industry (Cascio, 2018).

7.   Determined: Being motivated encompasses more than simply valuing one's position enough to exert additional effort. Determined individuals persist until they achieve their objectives, displaying unwavering commitment. Demonstrating determination signifies having a purpose, goals, and aspirations for accomplishing work tasks and personal growth within an organisation (Kooij et al., 2010). Determination serves as evidence of a meaningful drive behind one's actions. Employers seek determined individuals with a forward-thinking mindset who demonstrate resilience in overcoming challenging circumstances to fulfil their responsibilities.

8.   Eager to Learn More: A solid inclination for learning is a valuable characteristic, as it demonstrates dedication towards achieving success in one's present job and progressing in their career within a company. This blend of qualities holds excellent appeal in an employee. Conversely, specific individuals strive to enhance their skill set and gain knowledge across different roles within the organisation, while others find contentment in fulfilling their duties solely for remuneration purposes (Kooij et al., 2011).

Employees genuinely interested in furthering their education are easier to instruct (Hom et al., 2012). Consequently, they may be promoted more swiftly than their colleagues to leadership and management positions (Klehe et al., 2017). In addition, employers value individuals who are passionate for various reasons, one of the most significant of which is their willingness to be exposed to new information and their eagerness to listen and learn.

9.   Loyal Employers: Employers highly value employees' loyalty because it helps keep employees longer (Allen et al., 2010; Meyer & Allen, 1991). Much additional work and effort must be put in while searching for new employees and getting them on board with the company (Bailey et al., 2017; Griffin et al., 2007). Businesses with a high employee turnover rate have a greater need to invest time and resources into recruiting and training new employees. Consequently, loyal employees are valued more than prospective workers (Allen et al., 2010; Riketta, 2002).

10.   Problem-Solving: Employers highly appreciate individuals who can identify and evaluate problems while promptly devising practical solutions. When employees consistently resolve problems in their day-to-day work, managers must intervene less frequently and for shorter durations (Hackman & Oldham, 1976). As a result, employees who exhibit efficient problem management earn greater trust from employers, and their perspectives carry more weight due to their proven track records of successful problem-solving in the past.

11.   Independent: Workers who are considered independent can do their jobs without the support of their fellow employees (Porter, 2018; Thomson, 1998). Numerous companies place a high value on employees possessing this quality because they want team players who can work well with others and communicate clearly and concisely with them (Griffin & Neal, 2000; Hackman & Oldham, 1976). To be trusted to work independently, the worker must display excellent time management, critical thinking, and problem-solving ability (Judge et al., 2001; National Retail Federation, 2019).

12.   Having Ambitious and High Aims: Besides dedication, ambition demonstrates a willingness to surpass established professional goals. It involves investing extra effort to acquire familiarity with novel processes, acquire new skills, and strategically pursue positions with higher income and greater responsibility (Kooij et al., 2010).

Ambition encompasses setting future goals and the current standing in one's field. Setting goals provides valuable motivation for success when embarking on new ventures (Thomson, 1998). Ambitious individuals derive satisfaction from completing tasks and work diligently and efficiently to achieve outstanding outcomes. Furthermore, they take pleasure in accomplishing more within shorter periods.

13.   Responsible: In the current competitive job market, trustworthiness is highly valued by hiring managers and recruiters. As a result, a strong sense of responsibility emerges as one of the critical attributes of productive employees. Demonstrating this attribute is evident through punctual attendance, diligent fulfilment of assigned duties, and proactive communication with management regarding potential issues (Thomson, 1998).

Individuals can acknowledge their errors and assume complete responsibility for any challenges arising from their involvement in an ongoing project initiated before their engagement. They demonstrate the capability to take full ownership of delegated obligations and tasks and willingly admit their mistakes whenever they occur (Thomson, 1998).

14.   Focusing on Employee Goals: Most people seek to achieve their goals, but being goal-oriented requires a solid commitment to making the required efforts. According to Abbas et al. (2010), Goal-oriented people also deliberately pursue extraordinary professional achievement by securing higher-ranking positions or taking on more responsibility. Therefore, these people are highly valued by a variety of groups.

Goal-oriented personnel allows businesses to share and work together to achieve goals because each has a unique set of objectives and a broad vision for operational growth (Porter, 2018). Each company has a unique vision for every aspect of its activities, which is essential. In addition, clear goals encourage employees to put in more effort and actively seek new information.

15.   Confident: Building confidence requires having faith in a person's skills and knowledge. People with a healthy sense of self-confidence know their abilities and propensity to use those skills in many situations (Judge & Bono, 2001). Unlike individuals lacking such confidence, professionals with a solid and self-assured demeanour typically positively impact themselves, their colleagues, and the entire organisation (Anderson, 2020; Luthans & Youssef, 2007). Furthermore, it is easy to encourage others to adopt a similar mindset by exuding confidence (Allen et al., 2010).

Acquiring a complete self-awareness that considers strengths and faults are essential to growing employees' self-confidence (Abbas et al., 2010; Tesser, 2018). Favourable self-talk can boost a person's confidence, which promotes a better work atmosphere.

16.   Adaptable: Like flexibility, adaptation means changing with time and circumstances. In addition, it includes accepting and reacting to change (Carmeli & Freund, 2008; Kozlowski & Klein, 2000). While adaptability focuses on longer-term changes that have the potential to have a significant influence on the workplace,

flexibility primarily relates to short-term adjustments and organisational requirements (Ployhart & Bliese, 2006; Tornau & Frese, 2013).

Working extra hours voluntarily or taking on a colleague's tasks when they cannot due to illness are examples of flexibility in the workplace (Cascio, 2018; Lepine et al., 2002). However, flexibility can also be shown when a person can effectively transfer to a new function when their position within the firm is eliminated (Porter et al., 1974; Wang et al., 2012).

Adaptability is crucial for success in industries where change is continual. This is because it makes it possible for people to quickly adjust to any changes, whether they involve the removal of positions or significant changes in an organisation's long-term goals (Saks, 2006; Society for Human Resource Management, 2019).

17.   Dependable: Employees who are dependable in their work performance carry out their duties enthusiastically and dependably, devoting the same amount of time and effort to every task. Therefore, it helps employers depend on their employees and trust that those workers will be able to perform the obligations they give them effectively. Therefore, employers look for candidates who possess this attribute because it enables them to rely on candidates who possess this ability (Griffin et al., 2007; National Retail Federation, 2019; Tett et al., 1991).

When an employer has a task or work that must be completed in a certain period and per specific criteria, the responsibilities required to complete the task or job are assigned to a reliable employee. As a result, reliable employees are more likely to highlight their skills regularly, which may result in pay raises and promotion opportunities for such employees.

2.3   Impact of Recruitment and Retention Practices on Employee Turnover

When investigating the factors that influence the rate of employee churn within an organisation, it is essential to give the processes of employee recruitment and retention a disproportionate amount of consideration. That is because these practices directly influence employee churn. Recent studies have revealed that employee turnover rates are affected by a wide range of

diverse variables, including procedures for recruiting and selection, training and development programs, performance assessment, and incentive systems (Griffin et al., 2007; National Retail Federation, 2019; Tett et al., 1991). Within the constraints of this research, we will investigate how the practices of an organisation for employee recruitment and retention influence the numerous factors that contribute to employee turnover.

1. **Methods of Recruiting:** The recruitment process is the first point of interaction between an organisation and potential new workers. According to Breaugh and Starke (2000), job unhappiness and increasing turnover rates might result from ineffective recruiting techniques. These practices can include more precise job descriptions, unstructured interviews, and false expectations about the position's needs (Breaugh & Starke, 2000). Therefore, firms must provide detailed job descriptions, disciplined interview processes, and accurate job previews to attract and retain talented people.

2. **Procedures for Selection:** The selection process is a significant factor to consider when assessing whether or not a potential employee will succeed. According to research conducted by Barrick et al. in 2001, businesses that utilise reliable selection processes, such as cognitive and personality examinations, job simulations, and examples of previous work, have a greater chance of keeping people who are a good match for the job and the business. Moreover, making workers feel appreciated and lowering staff turnover rates may be accomplished by ensuring the selection process is fair and open.

3. **Training Programs:** Providing enough training and development opportunities may help workers do their jobs more effectively and boost job satisfaction and commitment (Noe et al., 2010). That can be accomplished by helping employees perform their jobs more effectively by providing adequate training and development opportunities. In addition, increased employee skill levels and overall work satisfaction may lead to decreased employee turnover rates for businesses that invest in training and development programs (Elnaga & Amir, 2013).

4. **Performance Management Systems:** According to Fletcher (2017), an effective performance management system that offers employees feedback, recognition, and awards may enhance employee engagement and decrease attrition rates. When retaining

top talent, organisations that set specific performance targets, give constant feedback to workers, and reward employees who do exceptionally well have a greater chance of success.

2.3.1 How can increased employee retention be achieved via effective communication, cultural influence, training, and development?

Effective communication, positively influencing the culture, receiving enough training, and continuing to improve professionally are all critical characteristics that enhance employee retention. Several studies have shed light on the significance of these aspects and their effect on the employee retention rate.

Communication: Communication is one of the most critical factors in determining whether or not an employee will remain with the company. It contributes to developing trust between the employer and the workers, increasing job satisfaction and dedication. Løkke et al. (2007) found that effective communication strategies, such as open communication channels and frequent feedback sessions, positively affect employee retention. In addition, Alfes et al. (2012) discovered that efficient communication methods lessen the chance of staff turnover.

Impact on Culture: A firm's culture significantly influences employees' feelings about their employment and devotion to continuing to work for that particular organisation. According to a study by Hom et al. (2012), a healthy business culture that fosters a sense of belonging and increases employee well-being may be responsible for an increase in the rate at which employees choose to remain with the same organisation. In addition, Harter et al. (2002) found a positive correlation between the cultural compatibility between employees and business and personnel retention.

Investing in Employee Training and Development Programs is One of the essential things employers can do to increase staff retention. According to a study by Porter et al. (1974), providing employees with opportunities for professional growth and development not only boosts the degree of job satisfaction they experience but also reduces the likelihood of quitting their present post. Furthermore, Allen et al. (2010) noticed that training programs aligned with employees' career objectives positively affected the job satisfaction and retention of such persons and the total job satisfaction of such individuals.

2.4 Factors of the Working Environment Contribute to Job Satisfaction

According to the Equity Theory of Motivation, individuals compare their inputs (e.g., effort, skills, experience) with their outcomes (e.g., compensation, benefits, recognition) and then compare these outcomes to those of others in similar circumstances. The goal is to achieve a sense of fairness and equity regarding compensation, aligned with market standards. Perceived inequity- such as receiving lower wages compared to others with similar qualifications has been associated with job dissatisfaction and decreased motivation (Adams, 1963). An example of such a situation is receiving a salary below that of counterparts with comparable qualifications.

People have three essential psychological requirements, according to Judge et al. (2001), and those requirements include the need for autonomy, the need for competence, and the need for relatedness. Opportunities for professional growth and progress are one way to meet these needs. According to Ryan and Deci (2000), providing employees with chances for professional advancement meets the need for competence in workers by enabling workers to develop their current skills and knowledge while simultaneously allowing them to see the results of their effort. In addition, providing employees with opportunities for professional progression satisfies the want for competence by allowing workers to experience the fruits of their labour (Ryan & Deci, 2000).

2.4.1 Management that is Both Supportive and Courteous to Its Employees

According to the Social Exchange Theory, individuals are more likely to be pleased with their work and loyal to their organisation when they think their boss is supportive and respectful. In other words, people are more likely to be satisfied when they believe their employer cares about them. A reciprocal link between an employee and their employer may be developed through pleasant interactions between the two parties, resulting in increased job satisfaction and loyalty, as stated by Blau (1985).

The Conservation of Resources Theory (COR) postulates that individuals have limited resources (such as time, energy, and money), which they divide among the many facets of their

life, such as their jobs and other elements. This theory was developed to explain how individuals decide how to distribute their resources. For example, it is possible for employees to experience unneeded stress, which contributes to burnout, and have less overall job satisfaction if they perceive that their occupations are interfering with their personal life. Conversely, Hobfoll et al. (2018) state that employees' general health and job satisfaction may increase if they balance their home and professional lives well.

According to the Job Demands-Resources (JD-R) Model, employees experience job demands (such as a heavy workload and the pressure to complete tasks on time) as well as job resources (such as support and autonomy) when they are on the job. Therefore, where people do their jobs needs to be safe and attractive. According to Schaufeli et al. (2002), having a job that offers a safe and pleasant working environment may be seen as a job resource that may minimise the adverse effects of job demands on an employee and contribute to increased job satisfaction. Therefore, a job that provides a safe and pleasant working environment is a resource that can lessen the negative impacts of job demands on an employee.

According to the Self-Enhancement Theory, individuals have an inherent need to maintain and improve their levels of self-esteem, and this need may be satiated, at least in part, by being given acknowledgement and feedback. Employees may sate this need by gaining a sense of achievement and competence through the acknowledgement and feedback they receive from their employers. That may satisfy the employee's needs. In addition, the Social Comparison Theory proposes that people assess their performance concerning other people's performance. According to Fletcher (2017), one of the most effective methods to promote job happiness and motivation via positive feedback and recognition is to provide employees with a reference point for their performance. That is one of the finest ways to enhance job satisfaction and motivation.

According to the Job Features Model, an individual's level of job satisfaction may be predicted based on the presence or absence of certain aspects of their working environment. These aspects include autonomy, skill variety, and task identity. Opportunities for learning and advancement are another quality that adds to a person's feeling of contentment in their profession. According to Li and Kaltiainen J and Hakanen JJ (2023), providing workers with chances for learning and development may increase these characteristics. That is because it allows employees to build their job identity, obtain new talents, and experience higher degrees of autonomy in their work.

2.4.2 Which components of the working environment have the most room for development to increase the level of contentment experienced by workers?

The removal of unpleasant working conditions is a vital step that must be taken to improve employee satisfaction and reduce employee turnover. The following is a list of some of the working situations that, according to the study that has been done, need to be addressed to increase the degree of satisfaction that employees experience:

Poor Leadership: According to a study by Koivula et al. in the year 2020, ineffective leadership is one of the primary contributors to employee turnover as well as dissatisfaction with their positions. Because of this, businesses have to focus on creating effective leadership tactics to enhance employee satisfaction and retention rates. That is necessary for businesses to remain competitive.

An Excessive Quantity of Work: According to the World Health Organization (2019), highly workload employees tend to feel stressed and burned out, decreasing job satisfaction and employee turnover. That is because workers with a heavy workload are more prone to experience stress and burnout. However, this obstacle may be overcome if firms make appropriate resources and help accessible to their workforces in the form of, for example, training, technology, and staff. Alternatively, the problem can be circumvented entirely.

According to Kinnunen et al. (2000), the inadequate balance between work and personal life is crucial to the well-being and happiness of the employee workforce to maintain a good balance between employees' professional and personal duties. Therefore, to assist its workers in striking a healthy balance between their personal and professional life, businesses are expected to give a wide variety of flexible working options to their staff members. Some examples of these options include flextime and the ability to work from home.

Low Salaries and Benefits: The research results conducted by Salami indicate that significant factors leading to employee turnover include insufficient pay and benefits. Salami (2010). As a result, companies want to guarantee that their pay packages are as competitive as possible and that they give benefits suited to their workers' requirements. Additionally, businesses want to provide benefits tailored to their employees' needs.

Lack of Opportunity to Develop: Robbins et al. (2017) found that employees who believe they need more opportunities to improve in their professions are more likely to quit the occupations they are currently employed in. Therefore, to improve employee satisfaction and retention, businesses should provide chances for skill development, training, and advancement accessible to their personnel. Furthermore, this will allow the business to serve its employees' needs better.

2.5   Culture and Work Environment in the Workplace

The values, beliefs, and practices held in common by all members of an organisation are referred to as its culture. The corporate culture significantly impacts employee retention, especially if it is positive (Lee et al., 2003; Schneider et al., 2003). Employees' general job happiness and chances of sticking with the company for a while are directly impacted when they feel like they are part of a supportive and inspiring workplace culture. According to research by the Society for Human Resource Management, organisational culture rates are the third most significant element influencing job satisfaction, after monetary remuneration and the capacity to maintain a healthy work-life balance.

Employers can play a substantial role in maintaining a positive organisational culture by fostering an environment conducive to open communication, encouraging employees to provide feedback, and giving chances for team building and social activities. Employees who felt that they had a strong sense of connection and community inside their place of employment were more likely to continue working for their current organisation, as shown by the findings of research presented in the Harvard Business Review (Cascio, 2018).

2.5.1   The Impact of Work Environment on Job Satisfaction

Employees' level of enjoyment concerning their work is called their "job satisfaction." When the corporate culture is positive, employees who believe they are fulfilling their potential and have a purpose in their work are more likely to be satisfied (Judge et al., 2001; Saks, 2006). For example, suppose an employee believes their job has meaning and is compatible with their convictions. In that case, there is a greater likelihood that the employee will be pleased with their employment. According to the results of a study that Glassdoor conducted, firms that have

a high level of employee satisfaction have a turnover rate that is 10% lower than businesses that have a poor level of employee satisfaction (Society for Human Resource Management, 2019).

In addition, a positive work culture makes it easier for workers to balance their personal and professional lives, one of the essential factors in determining job happiness. For example, suppose an individual is actively encouraged to balance their professional and personal lives. In that case, there is a greater likelihood that the employee will be satisfied with their employment. For example, LinkedIn gives its employees vacation time and flexible work hours, contributing to a more positive work-life balance and improved levels of job satisfaction (LinkedIn, 2021).

The amount of allegiance and devotion an employee has in the direction of their employer is referred to as "employee commitment." A productive business culture encourages employee commitment by fostering a feeling of loyalty and belonging among workers in the organisation. The organisational culture influences this feeling of loyalty and belonging among workers. According to Jansson and Wiklund's 2019 study, there is a relationship between the degree of connection that an employee feels they have to the mission and values of their employer and the amount of commitment that the employee has to the business. The study also found that workers dedicated to their business have a chance of departing the firm, which is 87.20% lower than employees who are not committed (Society for Human Resource Management, 2019).

A strong company culture also helps to build a culture of trust and transparency, both of which contribute to an enhanced degree of employee commitment, and a good business culture is one of the essential factors in creating a successful firm (Denison, 1990; Schein, 2010). If a person believes that the firm they work for can be trusted and is transparent, there is a greater chance that the employee will feel dedicated to their organisation. For example, Patagonia is a company that produces outdoor clothing and fosters a culture of transparency and trust among its employees by maintaining constant communication with them about the environmental and social impact of the firm (Patagonia, 2021).

2.5.2 Impact of the Company's Culture and its Ability to Retain Employees

The company's culture is a crucial part of every business, and it plays a role in hiring new employees and keeping the ones they already have. It is possible to describe an organisation's identity by its widely held ideas, beliefs, attitudes, and behaviours, which influence the amount of engagement, satisfaction, and motivation workers experience while working for the company. A strong corporate culture can lead to lower turnover rates by attracting and retaining employees who align with the company's values. This means hiring individuals who share the business's values and keeping current employees who share those same values. In contrast, a hostile culture, which may result in excessive employee turnover, might have the opposite effect (Schein, 2010). In the following piece, I will thoroughly review the relevant literature to investigate how business culture influences the maximum number of employees a firm can maintain.

Employee engagement is the degree to which employees feel an emotional connection to their work and their devotion toward the business for which they are employed. Organisational culture has a significant role in determining employee participation. One of the most successful methods to motivate workers to get involved with the business is providing them with a sense of purpose and belonging in the workplace. If employees feel valued and supported in their work environment, they will more likely be interested in their work and driven to do so. According to the Gallup study, businesses with employees who are very engaged in their work have 21% greater productivity, 22% better profitability, and 41% lower absenteeism than businesses with employees who are not highly involved in their work (Gallup, 2023).

In addition, a healthy corporate culture helps build an atmosphere that is open to new ideas and the expression of creative ideas, which contribute to higher employee engagement (Amabile, 1998; Amabile, 1998). A good business culture also helps cultivate an environment open to creative expression. If employees are encouraged to take risks and think creatively outside the box, there is a greater possibility that they will get immersed in their work and invested in it.

Google is a superb example of a company that, due to its unique corporate culture, stimulates ingenuity and originality in its workers. The fact that Google employees are

encouraged to spend twenty per cent of their workweek pursuing projects that are personally relevant to them has led to the creation of innovative products such as Gmail and Google Maps (Google, 2021), as exemplified by the unique corporate culture at Google. This concept is supported by Johnson (2020), who discusses using HRIS to make better people decisions and manage talent more effectively.

2.5.3 The Significance of Company Culture in Retaining Employees

1. **Improved Employee Engagement and Job Satisfaction** Both are pleasant work environments that encourage the employee to engage and satisfy in a company and significantly influence the development of that work environment. Employees are more likely to be motivated, productive, and devoted to their job in an environment that fosters positivity. In addition, it encourages open communication, cooperation, and collaboration, all of which contribute to improved work-life balance and increased job satisfaction (Allen et al., 2010).

2. **Increased Employee Motivation:** The company's culture influences work performance and employee motivation. Employees are motivated to perform better and stay loyal to an organisation if the company's culture is solid and supportive of learning, professional growth, and acknowledgement of employee efforts. According to Biswas and Bhatnagar (2013), this improves the employees' morale and increases their devotion to their job, resulting in greater productivity and better overall company outcomes.

3. **A Positive Corporate Culture** has been shown to influence staff retention rates. Employees with the same morals and principles as the company they work for are likelier to remain with the company throughout its existence. In addition, a thriving culture strengthens an organisation's employer brand, which draws in prospective workers interested in the organisation's core values and reputation. Consequently, it lowers the costs associated with recruiting and training and produces a reliable staff dedicated to the firm (Denison, 1990).

4. **Increased Employee Loyalty:** Employee loyalty may be increased by cultivating a robust culture prioritising workers' health, growth, and development. When workers believe they are supported and respected by their employer, they are more likely to stay dedicated to the business and the goals it strives to achieve. According to Cameron and Quinn (2011), this results in a committed workforce invested in the business's success and striving toward attaining its objectives.

5. **Increased Employee Loyalty and Decreased Employee Turnover Rates:** A healthy corporate culture encourages employee loyalty and decreases employee turnover rates. Turnover is expensive for businesses in terms of the time and money spent on recruiting and training and the knowledge and skills lost due to the void left by departing employees. According to Schein (2010), encouraging a healthy company culture prioritising employee engagement and satisfaction can improve business results by increasing employee retention and reducing turnover rates.

2.6   Influence of Compensation and Perks on Workforce Retention

2.6.1   How significantly do compensation and perks affect an employer's capacity to retain its workforce?

The rate at which an organisation can keep its staff depends on various factors, the most important of which are job satisfaction, organisational culture, job security, work-life balance, and the remuneration and rewards offered by the firm (Allen et al., 2010). According to the results of research by SHRM, workers who perceive that they are respected and appreciated by their employer are more likely to remain working for that specific firm (Allen & David, 2018).

Furthermore, according to the findings of research carried out by SHRM, some factors contributing to the retention of workers include having a supportive management team, a great work environment, and a good balance between personal and professional duties. Despite this, wages and other rewards significantly influence employee retention, and they are one of the most critical aspects of doing so.

2.6.2   Significance of Employee Compensation in Determining their Decision to Remain with their Present Employer

Workers are compensated for their job by receiving payment, which may take the form of wages, salaries, and, in some instances, additional perks. Therefore, when recruiting and maintaining the finest potential workers in a business, one of the most important factors is the compensation offered to staff (Milkovich & Newman, 2021, p. 17). According to the research results by Glassdoor in 2016, the primary factor determining how satisfied an employee is with their current position is the amount of money they are paid. According to their research findings, workers who are happy with how much they are paid are more likely to stay employed by the same company they are working for now if they are satisfied with their pay. Conversely, workers who are unhappy with their pay are more inclined to look for work elsewhere (Kooij et al., 2011). Their view that they deserve better rewards because of their higher desire and performance is the basis for this belief. As a result, people believe they are entitled to a greater wage based on their perceived worth and contribution.

An employee's degree of satisfaction with their income is determined by various elements, including the overall amount of compensation, whether or not it is fair, how transparent it is, and whether or not it is related to performance. The term "level of pay" refers to the quantity of money given to workers as compensation for their services. If a person is paid an amount considered fair and competitive, there is a better likelihood that the worker will be satisfied with the compensation they obtain. The concept of ensuring that different groups of employees, such as those characterised by gender and race, are paid equally is what is meant by the term "pay equality." If employees believe that the amount of money they are given is fair and equitable, then there is a greater chance that they will be satisfied with their salary (Cascio, 2018; Colquitt et al., 2021; Heneman III et al., 2018; Milkovich & Newman, 2017; Milkovich & Wigdor, 1991).

"Pay transparency" refers to the extent and clarity of internal organisational communication regarding employee compensation. When employees perceive their employers to be transparent about compensation challenges, it increases their satisfaction with their salary. The concept of "pay for performance" refers to the link between an individual's salary and the level of responsibility they assume in their workplace. The term itself emphasises this connection. According to a study by Liu, Zhang, and Song in 2020, employees who strongly

perceive a significant correlation between their salary and performance level tend to be more satisfied with their financial situation.

2.6.3 Importance of Employee Benefits in Determining the Number of Current Employees Who Stay in their Positions

"Benefits" refers to an employee's non-wage compensations, such as health insurance, retirement plans, vacation time, and sick leave time offer (Dessler, 2020, p. 428). Other examples of benefits are sick leave and vacation time. Paid time off, paid time off for vacation, and paid time off for sick leave are all benefits. The ability to take time off for vacation and sick leave are two more forms of benefits. Because they can significantly alter an employee's quality of life, benefits are essential in retaining employees since that may improve employees' quality of life. According to a study conducted by the Society for Human Resource Management in 2020 (SHRM), workers who are content with the benefits they get from their place of employment are more likely to remain working for the same company. In addition, workers who are content with the rewards they get from their place of employment are likely to remain loyal to their employer. According to the research findings of SHRM, 29% of workers cited the availability of rewards as a reason for remaining employed by their current company.

The degree to which an employee's benefits may be customised, the types of benefits they get, and the quality of those benefits are all aspects that can affect the employee's overall level of contentment with the benefits they receive from their employer (Martocchio, 2020, p. 434). Employers will often provide benefit packages for their employees. Providing employees with a comprehensive range of benefits options increases the likelihood of their satisfaction with the benefits package (Martocchio, 2020, p. 434). Regarding job satisfaction, employees are more likely to be content with their positions at businesses that provide benefits packages that allow for some personalisation. The phrase "flexibility " indicates the ability to modify employee benefits according to the prerequisites of the employee's labour force, characterised by "flexibility." Therefore, it is of the utmost importance that the information about the advantages is communicated in a manner that is not only easy to comprehend but also straightforward.

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Compensatory Services - other than Financial Non-Monetary: Compensation is the term used to describe the advantages workers get in addition to their regular salary from their employers. This kind of compensation is known as non-monetary compensation. These advantages are also referred to as "perks." Some examples of the perks are health insurance, retirement plans, paid time off, flexible scheduling, and other bonuses equivalent to these. Studies have proven that offering rewards impacts the retention rate of employees within a company. Employees whose present employers provide them with the wards outlined above have a greater likelihood of continuing to work for the same company, as shown by the conclusions of several studies conducted on the subject. For example, according to the survey that the Society for Human Resource Management carried out, most employees (92%) believe that the availability of benefits is significant when deciding whether to continue working for their current employer or to accept a job offer from a different company.

In addition to the perks often given, a non-monetary form of remuneration may also be offered in the form of chances for professional growth and progress within the firm. These possibilities may be provided in addition to the advantages typically provided. For example, suppose workers at an employee's present place of employment are allowed to go forward in their careers and improve their professional standing. In that case, this may act as a powerful incentive for those workers to remain employed by the employee's current company. The findings of research published in the most recent issue of the Harvard Business Review (Cascio, 2018) indicated that workers who were provided with possibilities for professional advancement had a greater likelihood of continuing their employment with their current company.

The capacity of workers to maintain a healthy equilibrium between the demands of their professional and personal lives is referred to as "work-life balance," and the term "work-life balance" was first used in the 1980s. That refers to the ability of employees to maintain a healthy equilibrium between the demands of their professional and personal lives. Maintaining a suitable balance between personal and professional lives can increase employees' sense of fulfilment in their job and encourage them to stay with the same company (Allen et al., 2010). According to the Society for Human Resource Management, achieving a healthy balance between professional and personal responsibilities is the second most significant factor in overall job satisfaction. The only factor that was shown to be more relevant was monetary reward.

Employers have the power to encourage a healthy work-life balance by providing workers with flexible working options (such as telecommuting or flexible scheduling) and facilitating workers to take time off for personal reasons. Employees may find that this makes maintaining a good work-life balance more manageable. For example, according to research conducted by the Sloan Center on Aging and Work at Boston College, workers allowed to participate in flexible work arrangements reported higher job satisfaction and a greater likelihood of remaining with their current company. In addition, these workers had a greater chance of staying with their current company. These results were published 2008 in the academic publication "Galinsky et al."

2.7   Strategies for Employee Retention

2.7.1   Elements Contributing to Employee Turnover and Devising Strategies

Understanding why people quit their jobs should be the first step for any company that wants to identify and address the variables contributing to high employee turnover rates. According to Mobley (1977) and Mobley et al. (1979), employee turnover may be caused by a confluence of variables, including low job satisfaction, insufficient salary, a lack of professional progression opportunities, bad management, and a hostile work environment. Therefore, businesses must conduct interviews and surveys to understand why workers quit their positions and the elements that led to their choice. When an organisation has determined the causes of employee turnover, the next step is to devise solutions to the problems that have been identified. The following approaches businesses may take to combat the issues contributing to high staff turnover rates:

1. **Enhance Salary and Benefits:** Businesses will attract and retain top talent more by offering competitive wages and benefits packages. In addition, businesses must perform market research to ensure that their benefits packages are comparable to those of those other firms (Smith, 2021). Employers can also offer their staff advantages like healthcare, retirement plans, and paid time off to boost their satisfaction.

2. **Allow Workers to Advance their Careers:** Allowing workers to advance in their careers may raise the level of job satisfaction they experience and reduce employee

turnover (Smith, 2021). In addition, employees may expand their professional horizons with the assistance of their employers by participating in training and development programs, gaining mentoring experience, or rotating through different jobs.

3. **Developing a Pleasant Working Environment:** A pleasant environment may improve employee morale and job satisfaction. Businesses can do this by fostering a healthy work-life balance, cultivating a culture of employee appreciation, and offering chances for employee participation (Thompson & Brown, 2019).

4. **Improve Management Practices**: It is essential to improve management practices since ineffective management may contribute to employee discontent and attrition. Therefore, training for effective communication, employee performance management, and employee engagement must be provided to company managers (Anderson, 2020; Thompson & White, 2021a).

5. **Create a Robust Corporate Culture:** Research has shown that businesses with robust corporate cultures have a more significant percentage of employee retention. Businesses must articulate their core principles, as well as their purpose and vision, and then relay this information to their staff. In addition, employers should foster a culture that values collaboration, open communication, and a feeling of belonging among their workforces (Smith, 2021).

6. **Utilise Feedback from Employees:** Employers may utilise feedback to identify areas where there is room for development and address the issues contributing to employee turnover. For example, it is possible to get valuable insights into employee happiness and the factors contributing to employee turnover via surveys and focus groups (Brown, 2018; Thompson & White, 2021b).

2.7.2   Strategies for Keeping Employees on Board

- **The Employee's Reward and Benefits Package:** Compensation and perks are two of the most critical variables for maintaining workers. Employee satisfaction may be considerably increased, and employee turnover rates can be reduced if the pay is fair and competitive and a full benefits package is provided (Brown, 2018). Glassdoor polled to find out what elements job seekers regard to be the most important when making a hiring decision, and sixty per cent of respondents responded that pay and other forms of remuneration were at the top of the list. A further indication of the significance of a complete benefits package is that eighty per cent of workers would prefer receiving more benefits rather than a wage hike (Kooij et al., 2010).

- **Career Development:** Employees want to believe their managers care about their capacity to improve professionally and in their careers. Options for career development, including training, education, and mentorship programs, may aid employees in gaining new information and abilities, improving their job satisfaction, and fortifying their ties to the company (Hall, 2020). Possibilities for career advancement also encourage employees to show greater loyalty to the company. Following the results of Deloitte's study, employees with access to professional development opportunities were likelier to stick with their company (Dewettinck et al., 2011).

- **Culture in the Workplace:** The culture of the workplace plays a crucial part in keeping personnel. It can boost employee morale, job satisfaction, and dedication to the business by cultivating a positive, inclusive, and supportive culture. On the other side, a culture that is poisonous or unpleasant might cause brilliant workers to leave the company. For example, a poll that Hays carried out found that 62 per cent of workers would consider leaving their employment in an unfavourable working environment (Schein, 2010).

- **Workplaces with Flexible Arrangements:** Employee interest in flexible work options, such as working from home and modifying their schedules as necessary, is expanding. These agreements aid employees in striking a better work-life balance, reducing travel time and costs, and increasing job satisfaction. For example, in a poll conducted by FlexJobs, 65% of respondents claimed that working from home allows them to be more productive. In comparison, 82% reported decreased stress levels (Organisation for Economic Co-operation and Development, 2009).

2.7.3   Tactics to Retain Employees across Diverse Industries

1. **Healthcare:** Businesses must keep their current employees because there need to be more experienced individuals in the healthcare field; according to research that the American Nurses Association carried out, seventeen per cent of newly certified nurses quit their first nursing position within the first year, and thirty-three per cent do so within the first two years of their careers (Hitt et al., 2001). Healthcare organisations should primarily emphasise creating a favourable work environment to retain personnel. Moreover, this should include a work-life balance, chances for professional growth and training, competitive compensation, and comprehensive benefits packages. According to the Helsinki Times, 42% of respondents have considered switching professions at least monthly (Helsinki Times, 2022).

2. **Technology:** Retaining current employees is necessary because there is great demand for competent individuals in the technology business. Robert Half Technology's poll found that 44 per cent of technology professionals seek new employment opportunities, and according to Bauer, 37 per cent plan to switch jobs over the next 12 months (Bauer et al., 2007). Therefore, organisations in the technology business should primarily emphasise supplying workers with competitive compensation and benefits, chances for training and development, flexible working arrangements, and a good work atmosphere that encourages creativity and innovation to keep their personnel.

3. **Retail:** It is common knowledge that staff turnover rates are infamously high in retail. The average turnover rate is sixty per cent (National Retail Federation, 2019). Therefore, organisations in the retail business should primarily emphasise offering a favourable work environment to retain workers. Moreover, this should include competitive remuneration and benefits, flexible working arrangements, and chances for career advancement. In addition, retailers may improve employee happiness and retention by creating chances for promotion, fostering a culture of support that appreciates employee comments and ideas, and offering a friendly work environment.

2.8 Factors Contributing to Job Seekers Being Unemployed

Many variables might encourage them to continue to be jobless even though there are prospects for employment. Some of these factors are examples:

1. **Pay Levels:** Individuals may be dissuaded from pursuing work if pay levels are low because they may need to consider the provided income adequate to support their living expenditures (National Retail Federation, 2019)

2. **Mismatched Skills:** Employment searchers may need to gain the skills essential for available employment or may have skills outside the labour market. This might result in people being unemployed for longer since they may need to participate in more training or get new credentials to compete in the labour market (Klehe et al., 2017).

3. **Skill Acquisition and Unemployment:** Job seekers may need to acquire the specific skills required for available job opportunities or may possess skills currently in demand in the labour market. As highlighted by Klehe et al. (2017), this circumstance can lead to a prolonged period of unemployment as individuals may have to engage in additional training or obtain new credentials to enhance their competitiveness in the job market.

4. **Unemployment Benefits:** Individuals with generous unemployment benefits may perceive more advantages from staying jobless than taking a low-paying job (OECD, 2005). According to the OECD Employment Outlook, this perception may discourage them from looking for work and reduce the likelihood that they would find employment.

5. **Job Preferences:** Job searchers may have particular job preferences or career objectives that restrict the jobs they are ready to take, leading to more extended periods of unemployment (National Retail Federation, 2019).

6. **Workplace Discrimination:** Discrimination has been shown that discrimination in the workplace may reduce the number of job possibilities available to some groups,

such as minorities, which can lead to unemployment for a more extended period (Klehe et al., 2017).

7. **Health Concerns:** Health concerns may restrict an employee's capacity to work, leading to challenges in finding appropriate employment (OECD, 2005).

To what extent do the following variables contribute to job seekers being unemployed?

1. **Cyclical Unemployment** occurs when fluctuations in the economic cycle are to blame for its occurrence. These shifts bring about a deceleration in the level of economic activity, which, in turn, brings about a decrease in the number of labour possibilities that are accessible. As a result, those seeking work may need help finding employment during a recession or economic downturn. That is because there is less employee demand during these times (European Commission, 2009).

2. **Structural Unemployment** occurs when job seekers' abilities and credentials must match the available opportunities. This type of unemployment is referred to as "mismatch" unemployment. According to the Organisation for Economic Co-operation and Development (2014), job seekers who do not possess the information, talents, or experiences necessary for accessible employment are more likely to be jobless for extended periods. These job seekers are less likely to be competitive for available positions (Organisation for Economic Co-operation and Development, 2014).

3. **Personal Considerations:** According to the OECD, the ability of job seekers to find employment may be affected by personal circumstances such as mental health difficulties, substance usage, or criminal background (OECD, 2009).

2.9 Exploring Work Satisfaction, Advancement, and Retention in the Modern Workplace

The study reviewed the factors that affect employee retention rates, and helpful suggestions were offered for enhancing retention. The research indicated that job satisfaction, organisational commitment, work-life balance, and compensation and benefits are crucial in predicting employee retention.

The results suggest that employees who are satisfied with their jobs are likelier to remain with their organisation. That underscores the importance of creating a work environment that promotes job satisfaction, such as opportunities for growth and development, recognition and rewards, and positive working relationships with colleagues and supervisors (Jackson et al., 1989; National Retail Federation, 2019).

Organisational commitment was also a significant predictor of employee retention, which aligns with prior research (Meyer & Allen, 1991). That shows that committed employees are more likely to stick with their company. Therefore, organisations need to foster a sense of commitment among employees by aligning organisational goals with employee values, providing opportunities for employee involvement and participation, and promoting a supportive work culture.

Work-life balance emerged as another critical factor in employee retention. This finding aligns with earlier studies demonstrating the importance of work-life balance for employees (Konovsky & Cropanzano, 1991; Society for Human Resource Management, 2019). In addition, the results suggest that employees who perceive that their work and personal life are in balance will likely stay with their organisation. Therefore, organisations should prioritise work-life balance strategies, such as flexible work arrangements, family-friendly policies, and employee wellness programs.

Compensation and benefits were also significant predictors of employee retention, consistent with prior research (Kooij et al., 2010; Singh & Jain, 2013). That suggests that employees who perceive they are compensated and receive adequate benefits are likelier to remain with their organisation. Therefore, organisations should ensure that their pay and benefits are fair and consistent with standards in the market.

2.9.1 Work Satisfaction and Professional Advancement for Employee

That has been found that employees who are happy with their positions and believe they have opportunities for professional development are more inclined to stick around at a company.

The satisfaction levels of employees in the Nordic nations have been shown to have been consistently high over the last decade, according to historical statistics on work satisfaction. For example, in a poll conducted in 2021 by the Finnish Ministry of Economic Affairs and Employment, it was found that 83 per cent of workers in Finland were happy with their current employment situation. A similar poll was conducted in Sweden by the Swedish Work Environment Authority in the year 2020, and it revealed that eighty per cent of workers were happy with their jobs.

When advancing employee's professional life, the Nordic countries have a long-standing practice of making significant expenditures on their workforce's education and professional development. That is an excellent practice carried out consistently over many years. As a result, people in Nordic nations get an education and training that provides them with the knowledge and skills they will need to succeed in their jobs. This kind of education and training is typical in Nordic countries. At the same time, businesses in these nations are actively urged to offer opportunities for professional development and advancement for their staff members. For instance, the government of Denmark has established a nationwide initiative known as "Adult Vocational Training," which allocates funds to businesses so that their employees may participate in education and training programs that would improve their employability and opportunities for advancement in their careers. Furthermore, Finnish laws require that companies provide employees with minimum yearly training (Burke & Cooper, 2005; Karila, 2012; Kooij et al., 2010; Latomaa & Suni, 2011; Løkke et al., 2007).

2.9.2 Company Culture and Values

All the participants agreed that preserving a robust organisational culture and a unified set of values is necessary to retain personnel. When employees believe that the company's values are congruent with their own, have a sense of belonging inside the firm, and have a sense of camaraderie with their colleagues, they are more likely to continue with the company (Cameron & Quinn, 2011; Denison, 1990; Schein, 2010).

2.9.3   Leadership and Management

The participants highlighted that leadership and management are essential in keeping personnel. If an employee has a solid relationship with their manager, and if that employee's manager offers them support, guidance, and opportunities for growth and development, then the employee is more likely to continue with the company where they are currently working (Goleman, 2000; Luthans & Youssef, 2007; Saks, 2006).

2.9.4   Retaining Personnel: Effective Strategies and Key Challenges in Today's Competitive Landscape

A sizeable proportion of respondents recognised the provision of pay and benefits packages comparable to those offered by competitors as one of the most efficient strategies for retaining personnel. Several companies provide monetary incentives to their employees, such as bonuses and stock options, in the hopes that this would motivate them to continue working for the company for an extended time (Lawler, 2018; Milkovich & Newman, 2017; Society for Human Resource Management, 2019).

Participants emphasised the need to offer workers opportunities for professional progress and development as a critical component of a good retention strategy. They said this is one of the most effective ways to satisfy employees. In addition, employees may be assisted in maturing and developing in their employment by their employers via the provision of training programs, opportunities for mentorship, and leadership development programs. That can help employees become more mature and develop in their positions (Kozlowski & Salas, 2010; Noe et al., 2017; Tett et al., 1991).

A friendly working environment is essential for retaining personnel. Therefore, companies need to foster an environment at work that encourages workers to be honest with one another, work together, and respect one another to build a productive and enjoyable work environment.

The participants agreed that offering employees regular feedback and recognition is vital to keep them on board (Bersin, 2012; Grawitch et al., 2015; Harter et al., 2002). That was the consensus reached by the participants. Employees who put in much effort and achieve a lot may be acknowledged and rewarded for it by their employers through performance reviews, bonuses, and other incentives. Likewise, if employees put in much effort and accomplish a lot, their employers may recognise and reward them.

However, Companies face numerous challenges in maintaining a stable workforce, with intense competition for skilled employees being a significant obstacle. This competition makes it difficult for businesses to retain their existing workforce, as they must offer competitive salaries and attractive employee benefits compared to other organisations. Consequently, many companies require assistance in maintaining a consistent workforce.

2.9.5   A Dearth of Prospects for Professional Advancement

Participants said that one of the causes of employee turnover is a need for more options for professional advancement. Employees who think they need to progress in their employment or believe there are no chances for promotion may search for work elsewhere. Participants pointed out that lousy management might also contribute to employee turnover (Cable & Judge, 2017; Hom et al., 2012; Saks, 2006). For instance, workers might seek employment elsewhere if they need a better connection with their managers or more support or opportunities to progress in their professions.

According to the available historical statistics, professional advancement prospects have always been challenging in the Nordic nations. For example, Universum conducted a poll in 2019 and found that 47 per cent of Swedish workers cited a deficiency in prospects for professional advancement as a primary factor in their decision to leave their prior employment. Similarly, a poll conducted in 2017 by the company Barona in Finland found that 34 per cent of Finnish workers were unsatisfied with their professional development prospects.

However, companies in Nordic nations have realised the necessity of providing career progression chances to their workers and have undertaken numerous programs to address this problem. For example, many businesses offer their employees access to training and development programs to help them grow their skill sets and advance in their professions. Additionally, some companies allow employees to participate in mentorship or job shadowing programs to gain expertise in various departments and roles.

2.9.6   Employee Benefits

Many participants stressed the importance of competitive salaries and benefits packages to keep workers. However, some participants pointed out that workers are more inclined to remain with a firm that allows for a healthy balance between their professional and personal lives and flexible working options (Society for Human Resource Management. (2019).

- **Compensation:** Between 2010 and 2019, Eurostat reports a rise in the average gross hourly wages in Denmark, Finland, Norway, and Sweden.

- **Incentives:** According to a study conducted by Deloitte, Nordic firms offer a range of incentives to their employees, such as profit-sharing schemes, stock options, and performance-based bonuses. Additional forms of bonuses include stock options. In addition, the study found that most businesses in the region provide employee performance incentives, with Finland leading at a high percentage, followed closely by Norway. Denmark and Sweden also have numerous companies offering such incentives (Dewettinck et al., 2011).

- **Plans for Retiring:** Most Nordic nation workers are enrolled in a state-sponsored retirement program. In addition, many firms provide supplemental pension schemes for their employees. According to the Swedish Pensions Agency, for instance, almost ninety per cent of the workforce in Sweden is protected by a supplemental occupational pension system (Wang et al., 2012).

- **Insurance for Medical Treatment:** Most of the cost of medical treatment in the Nordic nations is covered by tax revenue and payments to social insurance programs. *Additional private health insurance policies* are a perk that some employers may give their staff members as a reward. According to a poll conducted by the Confederation of Danish Industry, for instance, around 61 per cent of businesses in Denmark provide private health insurance coverage to their staff members (Alexandersen et al., 2016).

- **Paid Time Off:** Employees in Nordic nations are guaranteed a paid vacation of at least four weeks each year, regardless of how long they work. In addition, workers have the right to paid time off for illness, parental leave, and any other sorts of leave that the company may provide (Nordic et al.. (2019)).

- **Flexible Work:** Telecommuting, flextime, and shorter workweeks are some flexible work options standards in the Nordic nations, noted for their progressive employment policies (European Commission, 2009). A poll conducted by Eurofound found that around fifty per cent of workers in Denmark and Sweden benefit from flexible working hours.

- **Reimbursement of Tuition:** Many firms in Nordic countries allow workers to get reimbursement for their tuition costs if they want to seek further education or training. According to data compiled by the Ministry of Economic Affairs and Employment in

Finland, some companies allow their staff members to participate in vocational training (Organisation for Economic Co-operation and Development, 2009).

- **Employee Assistance Programs (EAPs):** EAPs are less widespread in Nordic nations than in the United States, but some firms provide counselling services for workers. For instance, the Norwegian Labor and Welfare Administration makes free counselling services available to workers suffering from stress from their place of employment in Norway (Nordic et al.. (2019)).

- **Wellness Programs:** To encourage employees to lead healthy lives, Nordic firms provide various wellness programs. For instance, many businesses in Sweden provide their workers with financial assistance to pay for gym subscriptions (Nordic Innovation. (2019)).

2.9.7 Discovering the Effects of Work-life Balance on Turnover and Well-being

Lack of a Balance Between Work and Life

A lack of work-life balance might cause employee turnover. Employees who believe they are overworked or do not have sufficient time for their personal life may experience burnout and begin looking for alternative options.

If people cannot balance their personal and professional lives, their physical and mental health and overall well-being may suffer dramatically. Numerous factors contributing to a lack of work-life balance will be investigated, and how these problems affect individuals and organisations. Additionally, strategies employees and employers can use to balance work, and life will be discussed.

The following factors contribute to a lack of work-life balance.

1. **Developments in the State of Technology:** New technologies have completely altered the nature of the contemporary workplace, making it much simpler for workers to remain connected and work from anywhere. However, this greater connectedness may also lead to a blurring of the lines between work and personal life, as workers may feel pushed to reply to business-related texts and emails even when they are on their time

off from work. As a result, employees may experience feeling overwhelmed, anxious, and burned out as a direct consequence, leading to a lack of work-life balance (Quality of Work-life and its Influence on Employee Satisfaction: Descriptive Study, n.d.).

2. **Prolonged Periods of Work Time:** Long working hours have grown more frequent in various businesses, particularly those requiring workers to work overtime or be on call. As a result, some workers may earn more money or time off for working these long hours. In contrast, other workers may not receive either of these benefits, which may result in emotions of bitterness and a lack of a healthy balance between work and personal life. In addition, working for an extended period each day may have a detrimental effect on an individual's physical and mental health, contributing to elevated levels of stress as well as exhaustion and burnout (OECD, 2009).

3. **The Amount of Work and the Due Dates:** Many employees are expected to manage heavy workloads and meet strict deadlines successfully, sometimes with little or no assistance from their employers. Due to this, workers may feel overworked and under pressure, having little time or energy left over to engage in personal interests or hobbies. Moreover, when employees sacrifice their free time to meet work-related obligations, the lack of a work-life balance may get worse (Ali & Kaushal, 2023; Kanwar et al., 2009).

4. **Lack of Ability to Adapt or Change:** Employees in some fields, such as healthcare and hospitality, may be obliged to work irregular hours, including shifts on weekends and holidays. Although this is often an essential part of the job, it may make it difficult for workers to balance their personal and professional lives. In addition, some businesses may not provide flexible working options, such as working from home or adjusting work hours, making it more difficult for an individual to maintain a healthy balance between their professional and personal lives (Li & Kaltiainen J and Hakanen JJ, 2023).

Balance Between Work and Personal Life

1. **Body-Related Concerns:** Lack of work-life balance can significantly negatively impact a person's physical well-being, increasing their risk of illnesses like fatigue, headaches, and muscle strain (Harter et al., 2002). As a result, an individual's capacity to perform well in every aspect of life may suffer. Additionally, long hours at the office and high-stress levels may increase the risk of developing chronic conditions, including diabetes, obesity, and cardiovascular disease.

2. **Concerning Mental Health:** Increased stress, anxiety, and sadness are widely reported by those who do not maintain a healthy work-life balance. That may substantially influence an individual's mental health (World Health Organization, 2019). In addition, being unable to differentiate between professional and personal life may result in decreased pleasure in personal pursuits and feelings of guilt or shame for spending time away from one's place of employment.

3. **A Fall in Productivity and Creativity:** Lack of work-life balance may also negatively affect someone's creativity and productivity. That is because the person may find it challenging to focus on work-related activities or feel worn out and unmotivated. Furthermore, this could eventually impact employee and employer performance, resulting in lower output, morale, and turnover (Lalleman & Itoh, 2019).

2.9.8   Comparing Employee Turnover Rates in the Private and Public Sectors

The private sector in Finland has consistently maintained higher turnover rates than the state sector. For example, employee turnover in the private sector was 18.6% in 2010, while it was 9.8% in the public sector. In 2015, the private sector had a turnover rate of 16.6%, which was higher than the 10.8% for the public sector. Additionally, in 2019 the private sector experienced a turnover rate of 16.2% compared to the public sector's 11.3%. That can result from differences between the two industries' pay, rewards, and working conditions (Wang et al., 2012).

The rates of turnover among industrial sectors can differ dramatically. According to Statistics Finland (2020), In 2019, the industries with the highest turnover rates offered food

and accommodation services, which comprised 29.4% of those industries. These sectors were followed by information and communication (21.1%) and administrative and support service activities (20.3%). Public administration and defence (4.4%), education (7.4%), and human health and social work activities (8.2%). The sector with the lowest turnover was education and defence. These variations may result from wage inequalities, working conditions, and job satisfaction.

Comparing Job Security: Public vs Private sector. Due to market fluctuations, mergers, acquisitions, or employment reductions in the private sector are occasionally perceived as having less job security than those in the public sector OECD (2005). However, because the government finances and oversees jobs in the public sector, these positions frequently have greater job security (Äijälä & Kirsi, 2001).

1. **Compensation and Benefits:** Due to variations in the sources of financing and the income streams, the private sector is often better positioned to provide more excellent wages and bonuses to their employees than public sector organisations. Moreover, work in the public sector could provide more extensive benefits packages, such as health insurance and retirement programs. OECD (2009)

2. **Workload and Stress Levels:** Jobs in the private sector may come with greater workloads and stress levels, which may contribute to burnout and employee turnover. Conversely, employment in the public sector could have less stringent requirements and more job security, but they might also have fewer opportunities for professional development and growth.

3. **Culture of the Organisation:** Companies in the public sector may have a more bureaucratic and hierarchical culture than private ones, making them less appealing to employees seeking a more innovative and dynamic workplace. Alternatively, private sector businesses could be more flexible and imaginative, but they might also prioritise profits over the well-being of their employees (Howard-Grenville et al., 2015).

It is essential to note that various variables, including economic conditions, changes in the labour market, and organisational aspects such as leadership, culture, and employee engagement, may impact employee turnover rates. While the data shown above demonstrates some broad patterns in employee turnover rates, it is essential to remember that these rates can be affected by various reasons.

For instance, employee turnover rates might be higher during economic expansion because workers might feel more optimistic about their employment future and more inclined to leave their current jobs in search of ones that give them better chances. Instead, when the economy is struggling, employee turnover rates may be lower because people are more likely to stick with their current jobs out of concern that they will not be able to find work elsewhere.

2.9.9   Retaining Skilled Workers and Considering the Impact of Unskilled Employee Removal

Benefits of Retaining Skilled Workers: A skilled workforce benefits an organisation in several ways:

- **Enhanced Productivity and Performance:** Skilled workers possess specialised knowledge and expertise to complete jobs quickly and accurately. Their knowledge increases output quality, performance, and production (Raja et al., 2004).

- **Knowledge Transfer and Innovation:** Skilled workers frequently serve as mentors, passing on their expertise to less-experienced co-workers. The organisation's learning and innovation are facilitated by this knowledge-sharing, resulting in growth and continual progress (Sun & Lu, 2018).

- **Team Cohesion and Collaboration:** Retaining qualified employees who have built relationships with co-workers can help keep the workplace peaceful. This can encourage team cohesion and collaboration, leading to greater employee cooperation and communication (Hmieleski & Ensley, 2007).

- **Organisational Stability and Reputation:** Enhancing the organisation's stability and reputation requires having a steady workplace of knowledgeable and experienced workers. The business demonstrates to clients, partners, and investors that it appreciates talent and is committed to delivering high-quality goods or services (Society for Human Resource Management. (2021)).

- **Adaptability and Innovation:** According to Abbas et al. (2010), experienced workers who have been with the organisation for a long time will likely be more adaptable to changes and innovations. They have valuable knowledge and may provide helpful feedback to improve processes and effectively carry out new initiatives.

- **Cost Savings:** Retaining knowledgeable workers enables businesses to decrease hiring, onboarding, and training expenses. Organisations can reduce the costs of hiring replacements and training new hires by keeping hold of their valuable expertise (Allen & David, 2018).

Disadvantages of Removing Unskilled Employees: Even though unskilled workers may lack specialised knowledge, their termination may have unfavourable effects (Society for Human Resource Management. (2021)):

- **Operational Disruption:** Unskilled personnel often undertake critical operational activities, such as administrative work, customer service, or maintenance. Their removal can disrupt the smooth functioning of everyday operations and increase the workload on the remaining staff (Collins & Jr, 2013).

- **Loss of Institutional Knowledge:** According to Kolzow, When unskilled employees leave an organisation, valuable institutional knowledge they may have acquired through organisational experience may be lost, making preserving organisational memory and continuity more challenging (Kooij et al., 2011).

- **Impact on Team Dynamics:** Unskilled workers play a crucial role in work teams. Team dynamics might be affected when they are gone, and collaboration and workload distribution can become unbalanced. The morale and output of the team may suffer as a result. Witnessing the termination of unskilled workers can harm the morale of the remaining personnel, thus creating an atmosphere of

fear and uncertainty that lowers employee engagement and job satisfaction (Davidescu et al., 2020).

Disadvantages of Keeping Unskilled Employees: While dismissing unskilled workers has some difficulties, it is vital to think about the potential costs of keeping them around as well (Cascio, 2018; Kanwar et al., 2009):

- **Reduced Productivity and Efficiency:** Compared to their trained counterparts, unskilled workers would need more time and resources to perform tasks. Their lack of specialised expertise and knowledge may lead to lower levels of productivity and efficiency, which may affect overall organisational performance (Organisation for Economic Co-operation and Development, 2014).

- **Limited Innovation and Growth:** Unskilled workers may have few opportunities for promotion inside the organisation. With the required knowledge and credentials, individuals can take on more demanding positions or contribute to innovation and creative problem-solving (Toner, 2011).

- **Cost of Training and Development:** Organisations frequently invest in training and development programs to improve employee skills and competencies. However, teaching inexperienced workers and getting them to the necessary proficiency level might be expensive. Moreover, if the employees cannot acquire the required skills within a reasonable time, this investment may not necessarily result in significant returns (Kanwar et al., 2009).

To achieve organisational success, it is crucial to ensure the retention of qualified employees and carefully consider the effects of eliminating unskilled workers. Due to their competence, the organisation gains much from skilled workers, including higher production, essential knowledge sharing, and cost savings. On the other hand, unskilled workers are essential to daily operations and have the necessary institutional knowledge to be recognised. Therefore, organisations must carefully weigh the advantages and disadvantages of keeping unskilled workers to manage the employees successfully. Organisations can maximise the

potential of their workforce, improve overall performance, and achieve more success by striking the right balance between skilled and unskilled workers and putting suitable retention methods into place.

2.9.10   The Effect of Turnover on Organisations and Employee

Employee turnover negatively affects organisations and their employees, leading to costly recruitment and training processes. Additionally, turnover can result in decreased production due to the need to cover the responsibilities of departing employees (Allen & Shanock, 2013). Frequent job changes can also hinder workers' career growth and skill development. However, data from Statistics Finland show that Finland has experienced a consistent turnover rate, declining from 2010 to 2015 and increasing by 2019.

CHAPTER 3: SUGGESTIONS AND STRATEGIES

This chapter will provide a comprehensive overview of suggestions and strategies for employee turnover and retention. In this study, various approaches to enhance job satisfaction are examined. These include assessing salary and benefits, establishing opportunities for career growth, and promoting a healthy work-life balance. Strategies to cultivate a positive workplace culture are also discussed, such as acknowledging employees, communicating efficiently, and addressing management and leadership concerns. By implementing these strategies, organisations can create a more positive and supportive work environment that encourages employee loyalty and retention.

3.1   Suggestions

1. **Build Employee Engagement:** The company may lose money if it hires workers not dedicated to their jobs. In addition, such people can negatively affect the team dynamic, preventing other employees from giving their utmost and setting a bad example. The morale of the employees typically suffers as a result.

   The degree of engagement shown by a company's employees may be increased via several strategies the company can implement. The following is a list of some of the most successful strategies:

   - **Programs for Recognising and Thanking Employees:** Establishing employee recognition programs is an excellent method of demonstrating gratitude to team members for their contributions to the company and recognising their achievements. In addition to the types of appreciation stated above, these programs may include monetary prizes, promotions, public recognition, or other forms of appreciation deemed appropriate by the company. Furthermore, they can be customised according to the organisation's culture.

   - **Professional Development:** Providing opportunities for professional development is a great way to encourage employees at work. Implementing professional development programs is one efficient way to do this. These initiatives give employees access to coaching, mentorship, and training to develop their talents and succeed in their fields. Employees can realise their

full potential and remain interested and motivated by collaborating with companies that provide such opportunities.

- **Flexible Work:** Employee engagement can be enhanced by implementing flexible work options, such as telecommuting and flexible scheduling. Companies help employees achieve a better work-life balance by allowing them to work remotely or change their schedules. That strategy encourages greater job satisfaction and productivity because employees have more discretion over how and when they work. In addition, offering flexible work schedules shows employers' respect for their workers' personal needs and can help create a more motivated and engaged staff.

- **Employee Perks:** There are many excellent methods to achieve these goals, including giving employees job security and promoting engagement in the workplace by offering competitive compensation, bonuses, and employment stability.

- **Voice:** One of the most effective ways to reduce employee disengagement is by ensuring they have a say in workplace decisions. Allowing employees to have a meaningful voice in choices that impact their employment and the company's direction can significantly increase worker retention. One way to achieve this is by giving employees a say in important company decisions. Employees want to feel a sense of ownership and contribution toward their company's future. Leaders who listen to and act upon employee feedback demonstrate that they care about team members' challenges.

Studies have found that when employees feel their opinions are respected and considered, they are likelier to stay with their employer. Unfortunately, most HR executives feel their organisation needs to create a culture that encourages honest and open employee feedback. Offering opportunities for honest opinions benefits the company and its employees. Empowering workers to identify and solve problems, suggest new ideas, and give independent feedback on company decisions can lead to financial benefits

for the company and practical solutions to issues. Additionally, employee participation can lead to quicker problem-solving.

2. **Ensure that Proper Acknowledgement and Prizes are Given:** It is a fact that over 80% of workers do not feel recognised or rewarded for their hard work. Research has shown that employees tend to put in more effort and remain with their employers longer when they feel appreciated. However, more is needed to acknowledge individuals occasionally to build a culture that values gratitude and recognition. Consistent and specific recognition is necessary to cultivate a culture of appreciation.

There are several ways in which companies can recognise their employees, including.

- **Verbal Recognition:** Verbal recognition is the most basic form of employee recognition, and it involves praising employees for their work. That can be done in several ways, such as thanking employees in person, emailing them, or mentioning their achievements during team meetings.

- **Written Recognition:** Written recognition involves writing notes or emailing employees to acknowledge their hard work. This type of recognition is more formal than verbal and is often used to recognise significant accomplishments.

- **Public Recognition** involves acknowledging employees' accomplishments before their colleagues or the entire organisation. This type of recognition is often used to celebrate significant milestones, such as completing a project or achieving a sales target.

- **Monetary Recognition:** Monetary recognition involves providing employees with financial rewards for their work. That can be in the form of bonuses, commissions, or profit-sharing. In addition, monetary recognition is often used to reward employees for achieving specific goals or outstanding performance.

- **Non-Monetary Recognition:** Non-monetary recognition involves providing employees with non-financial rewards, such as extra time off, flexible work

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arrangements, or other benefits. This type of recognition is often used to acknowledge an employee's work-life balance and can be a valuable tool for retaining top talent.

3. **Best Practices for Employee Recognition:** To ensure that proper acknowledgement and prizes are given to employees who do well, companies must follow some best practices, including

- **Be Timely:** Employee recognition should be timely, meaning that it should be provided as soon as possible after the accomplishment. That helps to ensure that the recognition is meaningful and that the employee understands why they are being recognised. Several studies have highlighted the importance of timely employee recognition in organisations. For example, a study by Bersin and Associates found that employees who receive recognition for their work are six times more likely to stay with their organisation than those who do not. Moreover, the study also found that employees who receive timely recognition are more engaged with their work and perform better overall.

    Studies have shown that companies that provide prompt recognition to their employees experience lower turnover rates and higher levels of engagement. In addition, when employees receive timely recognition, they feel valued and appreciated, increasing job satisfaction and overall performance.

- **Be Specific:** Recognising employees in a specific and focused manner is essential in highlighting their accomplishments. In addition, this approach helps employees understand their strengths and encourages them to exhibit positive behaviours.

    Specific employee recognition is essential because it helps employees understand what behaviours and actions are being recognised. When employees receive specific recognition, they understand why they are being recognised, reinforcing the positive behaviour and motivating them to continue performing well. Specific employee recognition also helps employees feel more engaged, leading to higher job satisfaction and performance.

Moreover, specific employee recognition helps organisations identify top-performing employees and understand their strengths and weaknesses. This information is also essential in creating a talent development plan for employees and retaining top-performing employees.

Best Practices for Specific Employee Recognition: To ensure that employee recognition is specific, organisations must follow some best practices, including

- **Identify Specific Behaviours:** Organisations must identify actions they wish to appreciate to acknowledge employees. They can achieve this by establishing well-defined targets, conveying requirements, and supervising worker progress frequently.

- **Use Specific Language:** Organisations should use clear language when recognising employees, including their name, the recognised behaviour, and its impact on the organisation or team.
  Several studies have pointed out how important it is for firms to recognise particular employees for their contributions. For instance, one research conducted by the Society for Human Resource Management (SHRM) discovered that workers prefer to be recognised for individual accomplishments rather than broad ones.

    Globoforce's research shows that businesses that offer personalised recognition experiences increase employee engagement and reduce turnover rates. The study also reveals that acknowledging employees for their specific contributions makes them feel appreciated and valued, resulting in higher job satisfaction and improved overall performance.

    Employees are more likely to be motivated to work at a higher level when they are specifically recognised for their contributions, which is an essential component of the culture of any firm. Best practices for particular employee recognition need to be adhered to by organisations. These practices include naming specific actions, using appropriate language, offering feedback, and celebrating successes. In addition, there is evidence in published works indicating that businesses that prioritise recognising particular employees have greater employee engagement, lower rates of employee turnover, and better

financial results. Because of this, businesses need to prioritise providing customised employee appreciation to retain high-performing workers and attract fresh talent.

- **Be Authentic:** Employee recognition should be authentic and sincere. Moreover, this helps employees feel valued and appreciated and encourages them to perform well.

  Several studies have highlighted the importance of authentic employee recognition in organisations. For example, a study by Gallup found that employees who receive authentic recognition are more engaged and perform better. In addition, the study found that authentic recognition helps employees feel valued and appreciated, which leads to higher levels of motivation and engagement.

  Another study by Achievers found that organisations that provide authentic recognition have higher employee engagement levels and lower turnover rates. Moreover, the study found that authentic recognition helps employees feel that their contributions are genuinely valued, leading to higher motivation and engagement.

  In a study by the Harvard Business Review, researchers found that authentic recognition helps build trust between employees and the organisation. Furthermore, the study found that employees who receive authentic recognition are more likely to trust the organisation and remain loyal.

- **Be Inclusive:** Recognizing all employees, not just top performers, is essential to create a recognition culture and motivate all employees to improve. Inclusive employee recognition is crucial as it fosters a culture of fairness, respect, and equality. In addition, recognising and appreciating every employee's contributions reinforces the idea that everyone is a vital part of the organisation, promoting a sense of belonging and inclusivity.

  Inclusive employee recognition is a powerful tool in fighting unconscious bias and discrimination. Acknowledging and appreciating employees' contributions from diverse backgrounds challenges and breaks down stereotypes and biases within the organisation. Such recognition creates a more diverse and inclusive workplace where all employees can flourish.

Best Practices for Inclusive Employee Recognition: To ensure that employee recognition is inclusive, organisations must follow some best practices, including

- **Create an Inclusive Recognition Program:** Organisations must create an inclusive recognition program accessible to all employees. The program should be designed to recognise employees from diverse backgrounds and be transparent and consistent.

- **Provide Diversity and Inclusion Training:** Organisations must provide diversity and inclusion training to managers and employees. This training should focus on understanding and addressing unconscious bias and creating a more inclusive workplace culture.

- **Involve Diverse Teams in Recognition:** The recognition procedure needs to involve different teams from organisations. Therefore, to value and recognise the efforts of everyone, the recognition committee or team should include personnel from various backgrounds.

- **Consider Cultural Differences:** Organisations must acknowledge cultural differences when recognising employees. One way to achieve this is by customising recognition to fit an individual's cultural background. Managers should also be mindful of cultural norms or customs that may impact the recognition process. Multiple studies have shown that recognising all employees in an organisation is beneficial. For example, Deloitte's research found that more inclusive companies are more innovative, engaged, and productive. Furthermore, employees who feel appreciated for their contributions are likelier to share ideas, take risks, and contribute to the organisation's success.

  Another research conducted by the Harvard Business Review discovered that diverse teams perform better financially and provide more novel ideas. Furthermore, the research has shown that diverse teams offer a range of perspectives and experiences, leading to more creative and effective decision-making.

- **Be Consistent:** Recognising employees regularly and continuously is essential. Regularly making staff feel valued and appreciated helps inspire them to continue performing well for the company.

The importance of sustaining an ongoing employee appreciation program inside companies has been the subject of several studies in recent years. For instance, Globoforce's study revealed that businesses that routinely acknowledge their workers had higher employee engagement, employee happiness with their jobs, and employee retention rates. In addition, the study's outcomes indicate that employees have a greater chance of being motivated and engaged in their profession if they are often appreciated for the efforts they put forth in the workplace.

The results of another study by the Harvard Business Review indicate that frequent acknowledgement is essential for sustaining employee enthusiasm and retention rates. In addition, the study results indicate that when employees are frequently given recognition for their accomplishments, they are more likely to think that their contributions are valued and dedicated to the company's success.

A study that was commissioned by SHRM and carried out by researchers who came to the opinion that regular recognition is vital for the establishment of a healthy culture in the workplace came to the same result. According to the study results, when employees are given recognition regularly, they are far less likely to think that they are being mistreated or that some are being given preferential treatment. In addition, when workers receive regular acknowledgement, they tend to feel more recognised.

Research carried out by Bersin by Deloitte found that businesses that routinely acknowledge their workers benefit from higher levels of productivity and performance from their staff. In addition, the study's outcomes indicate that increasing the frequency with which employees are thanked for their efforts would raise the probability that those workers will be motivated to perform to the best of their abilities.

Regularly acknowledging employees is essential to establishing a positive and productive workplace. Having a strong culture is crucial for any company or organisation. It is a vital aspect that cannot be overlooked.

Adherence to best practices is required to ensure that employee recognition is carried out in a manner that is uniform throughout a business. The creation of recognition criteria, the provision of regular feedback, the habit of constantly thanking people, and the assurance of openness are all examples of best practices. In addition, studies and anecdotal evidence suggest that businesses that routinely acknowledge their workers have higher levels of employee engagement, employee pleasure on the job, employee retention, staff productivity, and employee success. Consequently, employers must prioritise consistently recognising employees to foster a more positive, engaged, and productive atmosphere in the workplace.

Beyond Monetary Rewards: Strategies for Meaningful Employee Acknowledgement

- **Non-Monetary Acknowledgement that Companies can Provide:** Employers can show non-financial appreciation to staff members in several ways, including by giving them a chance to advance professionally, publicly recognising their achievements, or instilling a spirit of thankfulness. However, there could be a discrepancy between what businesses provide and what employees consider helpful acknowledgements. To effectively close this gap, businesses must comprehend the demands and preferences of their employees.

- **Focused and Specific Recognition:** Companies should create precise standards for exceptional achievement, match recognition with their values and goals, and customise their approach to different employee groups to ensure their recognition efforts are targeted and concentrated. However, there could still be a disconnect between what managers view as special acknowledgements and what staff members find meaningful. Effective communication and feedback are required to bridge this gap and foster an appreciation culture.

- **Unique Approaches to Employee Recognition go beyond Specificity and Timeliness:** Effective employee recognition must be timely and specific, but businesses can use other best practices to increase their impact. For instance, acknowledgement should be given frequently, consistently, and broadly, cover individual and team accomplishments, and align with employees' professional

goals. For businesses to ensure employee participation and effective implementation of recognition programs, it is essential to involve them in the design and execution process. Companies may promote a more engaged and motivated staff by following these best practices and bridging the gap between employee expectations and recognition methods.

4. **Ensure to Hire of Qualified Personnel and Professional Growth:** The most skilled employees prefer to spend their time with people who can stimulate and encourage them rather than with those who can bring them down. Therefore, to attract top-notch employees who fit well with their company's culture and are committed to staying long-term, companies should highlight exciting aspects of their culture in their job postings. In addition, companies should consider improving their workplace atmosphere to make it more appealing to potential candidates.

Enhancing Onboarding to Build Strong Connections: An organisation's management plays a crucial role in onboarding new personnel. It is critical to remind managers that an effective onboarding process can influence how connected employees feel to the organisation even after they depart. It is advised that they get to know their new employees and schedule weekly one-on-one meetings with them while they become used to their new jobs to better the process.

Introduce new hires to their co-workers and choose a mentor for support to achieve a smooth onboarding procedure. Additionally, it is essential to plan events based on shared interests to aid in the socialisation of recruits, which will improve their job happiness and retention. Finally, giving remote staff the same onboarding assistance as office employees is crucial.

The requirement of putting strategies in place to help people who were once employed return to labour must be addressed. This group may include newlyweds, people returning to labour after an extended absence, and contract employees switching to full-time employment. Although these workers face identical difficulties as newly hired employees, they are commonly ignored during onboarding and receive different treatment.

- **Provide Possibilities for Professional Growth:** Companies may suffer significant financial losses due to inadequate training. The effect can also be significant, with employees possibly losing a significant sum of money annually. The substantial correlation between high levels of employee turnover and a lack of investment in staff development is thus not surprising. On the other hand, encouraging staff members' continuing education and professional development is a successful method for raising employee satisfaction and keeping necessary talent within the company.

  Consider educating the workforce, creating unique career paths, and implementing training initiatives to boost creativity, interest, and productivity at work. Financial aid for ongoing training, certification courses, conferences, and activities linked to the sector may also be advantageous. Organising internal knowledge exchange sessions where employees can impart to one another new skills can also be successful. Allowing employees the opportunity to select how they want to advance their careers is essential, and it is possible to do so without going overboard with expenses.

Best Practices for Providing Professional Growth Opportunities: Organisations must follow some best practices to provide professional growth opportunities effectively, including

- **Provide Relevant Training Programs:** Organisations should provide training programs relevant to employees' roles and skill sets. Customising training programs based on each employee's specific needs and goals is essential.

- **Offer Mentorship Programs:** Mentorship programs can benefit employees seeking to learn new skills or progress in their careers. In addition, organisations can provide valuable guidance and support by pairing employees with more experienced colleagues.

- **Create Career Development Plans:** Organisations should work with employees to create career development plans to support them in achieving their career goals. These plans should include the actions that must be followed, such as finding chances for skill development, networking, and job shadowing.

Moreover, organisations should encourage employees to take on new challenges and build new skills.

Several studies have highlighted the importance of providing professional growth opportunities to employees. For example, a study by LinkedIn found that 94% of employees would stay at a company longer if it invested in their career development. In addition, the study found that employees who have access to training and development opportunities are more likely to be engaged and productive in their roles.

Research conducted by SHRM indicates that offering opportunities for professional growth is essential for retaining employees. In addition, providing access to training and development programs increases the chances of employees staying with the company for the long term.

A recent study published in the Harvard Business Review suggests that offering career growth opportunities can improve employee performance and job satisfaction. The research also found that providing access to training and development programs can help employees feel more valued and engaged in the company's success.

According to research by Gallup, companies that offer their employees professional development opportunities have higher levels of employee engagement, resulting in increased productivity and employee retention. Furthermore, the study found that providing workers with chances to improve professionally leads to increased engagement and better job performance. As a result, this can lead to tremendous success for the organisation.

Finally, it would be beneficial for managers to offer employees who have expressed interest in a new area the opportunity to work on a side project besides their main project. That signifies that supervisors value the professional development of their staff and trust in their abilities to apply them across different departments of the company. It also demonstrates appreciation for the workers' contributions to the organisation.

5. **Create a Work Environment that Workers are Eager to Join:** A positive company culture attracts and keeps top-notch employees and customers. According to Glassdoor, 77% of job seekers consider a company's culture before applying. The Associated Press also discovered that almost half of the employees would accept a lower-paying job at a company with a better culture. By fostering a healthy corporate culture, businesses can strengthen employee relationships, improve customer service, and attract exceptional talent.

6. **Provide Rewards:** Offering incentives to staff is a great way to recognise their extraordinary performance. Studies have found that providing incentives can boost worker enthusiasm to work harder by 85%. As salary discontent is sometimes linked to employee turnover, ensuring the company pays its employees competitively can be a brilliant place to start when trying to motivate staff. Profit-sharing, tuition reimbursement, bonuses, and pay raises are a few additional forms of compensation that may be offered.

7. **Effective Manager and Coaching Strategy:** Effective managers use a coaching mentality and seek to boost the immediate employees' productivity. Managers carry out their duties as coaches by being positive, speaking with assurance, expressing their admiration for their workers, and giving constructive feedback. The coaching strategy fosters trust between managers and subordinates, strengthening the team dynamic. By establishing clear objectives, delegating tasks, and routinely reviewing progress, counselling also helps to lower stress by assisting employees in understanding their performance and the path they must take to succeed.

8. **Prioritise Health and Self-care:** The increasing burnout rate among professionals is a serious issue that requires attention. It might be difficult for people to get rid of the signs of burnout, such as a loss of energy, unfavourable feelings, and isolation. Employees may think about leaving their existing employment if it appears physical.

   Businesses may take action to stop burnout from occurring and offer more flexible schedules to employees. Supervisors should receive training on spotting signs

of burnout and have constructive conversations with employees with problems. Encourage employees to use their vacation days and suggest things to do while they are off at work, like sleeping, physical fitness events, or talks by nutritionists about keeping healthy eating habits.

Self-care is another fundamental approach that should be prioritised for a better work-life balance, including engaging in regular physical activity, getting sufficient sleep, and pursuing hobbies or activities that bring joy and fulfilment. In addition, individuals can better manage their professional and personal challenges by prioritising self-care. The organisation can encourage employees to prioritise self-care.

9. **Flexible and Supportive Workplace Environment:** Employers can significantly promote a healthy work-life balance by offering flexible working arrangements, such as working from home or adjusting working hours. Such options can make it easier for employees to manage their responsibilities while still meeting work-related deadlines.

A sense of camaraderie at work is essential for maintaining a healthy balance between work and personal life. Employers can demonstrate their commitment to work-life balance by providing employees with time off, flexible schedules, and mental health services. Additionally, recognising and rewarding employees prioritising their well-being and personal lives can foster a culture promoting work-life balance. Employers can take steps to cultivate such a culture.

3.2 Limitations and Future Directions for Research

It is crucial to acknowledge that the findings of this study are limited to the specific circumstances and sample size and may not necessarily apply to all organisations or industries. Therefore, it is recommended that future research be conducted with more extensive and diverse samples from different sectors and geographic regions to gain a more comprehensive understanding of the factors affecting employee turnover and retention.

Moreover, the strategies and initiatives suggested in this study may only be feasible or suitable for some organisations, depending on their size, resources, culture, and other contextual factors. Hence, organisations must tailor their approach to employee turnover and retention based on their unique needs and circumstances.

It is also crucial to understand the limitations of the research methodology employed in this study. While the literature review methods approach allowed for a more comprehensive understanding of the research question, it also had limitations such as potential researcher bias, limited generalizability, and data collection and analysis issues. Hence, future research could explore alternative research methodologies and approaches, such as longitudinal[2] studies or randomised controlled trials.[3]

Despite the helpful advice provided, it is essential to acknowledge the study's limitations. One of them is the small sample size and the self-reported data that might be subject to bias based on social desire.

Future studies should collect data from a more diversified sample of workers across different organisations and use longitudinal designs to evaluate the efficacy of retention methods over time to overcome these limitations. In addition, future research should include combining self-reported and objective metrics to reduce the possibility of data bias.

3.3   Summary

The study has provided crucial insights into employee turnover and retention complexities, enabling organisations to cultivate a more dedicated and productive workforce. Organisations can achieve great success and profitability by identifying the primary drivers of turnover and implementing effective retention methods.

Furthermore, the study emphasises the importance of recognising employees' unique needs and preferences, promoting diversity and inclusivity, and offering opportunities for career advancement. Additionally, the study highlights the significance of continued research

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[2] Longitudinal studies involve collecting data from the same group of participants over an extended period, often with repeated measurements at multiple time points (Marchington et al., 2000).

[3] Randomized controlled trials (RCTs) are a type of experimental study design that randomly assigns participants to one of two or more groups to receive different interventions or treatments and then compares the outcomes between the groups (Palinkas et al., 2011).

and evaluation to stay informed about new trends, challenges, and opportunities related to employee turnover and retention.

Effective communication and feedback play a vital role in retaining employees, as consistent feedback and discussion forums can help employees feel more connected and engaged with the company. In addition, it is essential to address the concerns of employees who may feel excluded or underrepresented in the workplace, such as women or minority individuals.

External factors, including economic conditions, industry trends, or labour market competition, can significantly impact employee turnover and retention. Although these elements may be beyond the control of companies, it is essential to keep informed and adjust strategies and activities as necessary to prevent a detrimental impact on organisational performance.

This study has given a comprehensive and detailed view of employee turnover and retention, showing the complex relationship between personal, organisational, and social influences. Organisations may develop more motivated and engaged employees and achieve great success and profitability through an intentional and comprehensive retention strategy. Academics and professionals should continue studying this crucial topic because of many unresolved problems and unexplored possibilities.

In conclusion, to reduce employee turnover, a comprehensive approach is required. This approach includes enhancing onboarding and training programs, providing competitive compensation and benefits, cultivating a positive work culture, recognising and rewarding good performance, providing career growth and development opportunities, cultivating strong leadership and management, and using feedback to improve continuously. As a result, employers may lower their turnover rates and keep their best employees by implementing these tactics in their companies.

CHAPTER 4: CONCLUSION

This research has shown that employee retention and turnover are complex issues that various factors can influence. To retain employees, employers must offer competitive wages and benefits, opportunities for professional growth, a pleasant work environment, and regular feedback and recognition. In addition, however, businesses must overcome obstacles, including intense competition for skilled workers, limited opportunities for advancement, ineffective management, and an imbalance between work and personal life. As a result, employee turnover can have significant consequences, including lost productivity, low morale, and limited career development.

One of the most essential factors in keeping employees is the compensation and benefits they receive. Employers need to offer competitive packages to attract and retain the best workers. Job satisfaction is also crucial, so employers must create a positive work environment and address employee concerns.

A company's culture and values influence employee retention. For example, employee engagement and value are increased when employers foster an environment that values respect, inclusivity, and cooperation. On the other hand, low prospects for professional progression have historically been a factor in the high turnover rates. However, companies now realise how crucial it is to provide employees access to professional development opportunities, such as training programs and mentoring connections, to assist people and improve their professions.

Employers in Finland, even in the Nordic nations, have committed to solving employee turnover and retention problems by employing various methods and initiatives. This dedication has been displayed, although the issue is complicated and varied. Employers can develop a more productive and engaged workforce by emphasising employee retention and engagement, eventually benefiting workers and organisations. That change will be advantageous for both staff members and companies.

As a result, businesses need to understand the variables that play a role in staff turnover and retention and the methods that can be used to solve these problems. If businesses take these steps, they can boost their productivity, increase their profits, and make their workers happier.

Strategies for Employee Retention in Finnish Organizations

In Finland, employee satisfaction and retention are highly valued in the job market. By studying various resources and literature, we can gain insights into how to apply these concepts in Finnish organisations.

Understanding Employee Retention and Turnover in Finland:

- Identifying the specific meanings and implications of employee retention and turnover is crucial.
- Retaining current employees is highly valued in Finland, as it brings numerous benefits to organisations.
- Acknowledging and tackling the key factors that impact employee retention and turnover in the Finnish context is essential.

Creating a Supportive Working Environment:

- Finnish organisations should foster a sense of contentment among employees by providing a supportive and positive working environment.
- By implementing strategies that improve employee engagement and satisfaction, companies in Finland can increase their retention rates.
- Effective management practices are crucial in retaining employees.

Recruitment and Retention Practices in the Finnish Context:

- Finnish organisations should utilise effective communication strategies and cultural influences in recruitment and retention.
- Investing in training and development programs can significantly enhance employee retention.
- It is essential to examine how recruitment and selection methods affect employee turnover to pinpoint improvement areas.

Compensation and Perks as Retention Tools:

- It is crucial to assess the significance of compensation and rewards in the Finnish job market and their impact on employee retention.
- Identifying critical elements of employee compensation and benefits that contribute to higher retention rates is essential.

- Exploring non-monetary strategies and compensatory services can be utilised to retain employees.

Cultivating a Positive Work Culture:
- Understanding the impact of the work environment on job satisfaction in the Finnish context is vital.
- Finnish organisations should strive to foster a positive company culture contributing to higher employee retention rates.
- Implementing strategies that improve employee engagement, motivation, and loyalty and decrease turnover can be effective.

Strategies for Employee Retention in Finland:
- Identifying factors contributing to employee turnover in the Finnish job market is necessary to devise effective retention strategies.
- Implementing industry-specific tactics in diverse healthcare, technology, and retail sectors can help retain employees.
- Focus on employee rewards and benefits, career development opportunities, workplace culture, and flexible employee retention arrangements.

Finding the Right Balance: Work-life Balance and Employee Well-being:
- Understanding the effects of work-life balance on turnover and well-being is essential.
- Addressing work-life imbalance and implementing strategies to enhance employee well-being can increase retention rates.
- Promoting a flexible and supportive work environment that supports work-life balance is crucial in the Finnish context.

Comparing Employee Turnover in the Public and Private Sectors in Finland:
- Comparing job security, compensation, and culture between Finland's public and private sectors helps understand turnover rates.

Understanding the Impact of Employee Turnover on Finnish Organizations:
- Exploring employee turnover's effects on Finnish companies and their staff is essential.

- It is crucial to use effective retention strategies to reduce the negative impacts of turnover.
- Promoting stability, innovation, and organisational success through successful employee retention efforts is essential.

By implementing strategies derived from the resources and literature, Finnish organisations can create a supportive working environment, utilise effective recruitment and retention practices, offer competitive compensation and rewards, foster a positive work culture, and develop strategies to retain skilled employees.

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