

Boosting Employee Loyalty at XYZ Consulting: Strategies for Long-Term Commitment

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Abstract

This study delves into the dynamics of employee retention and organizational culture at XYZ, employing a qualitative thematic analysis of interviews with five HR managers. The research aimed to capture a nuanced understanding of factors influencing employee satisfaction, professional growth, and the workplace environment. Key themes identified include employee satisfaction and well-being, professional growth and development, compensation and benefits, work flexibility and patterns, leadership and communication, company policy and culture, and technology and systems. The findings reveal that XYZ's strengths lie in a supportive work environment, clear communication channels, financial stability, flexibility in work arrangements, and a commitment to employee safety and career progression. However, challenges such as high employee turnover, communication gaps in professional development, and the need for more adaptive leadership styles were also highlighted. The study's rigorous approach, incorporating multiple reviews and discussions with supervisory bodies, lends credibility to its findings. Despite its focused scope, the study offers valuable insights for organizations looking to enhance employee retention and satisfaction.

Keywords: Employee Retention, Organizational Culture, Human Resources Management, Work Environment.

A. INTRODUCTION

Employee turnover is a significant challenge for global enterprises, notably in Indonesia's corporate sector, including banking and startups (Alajlani & Yesufu, 2022). Job satisfaction and leadership transitions influence turnover (Bharadwaj et al., 2022; Sutanto & Kurniawan, 2016). Satisfied employees tend to stay, while leadership changes often cause uncertainty. Understanding leadership styles—transformational and transactional—is crucial. Effective communication and fostering a feedback culture are essential for leaders navigating transitions. In the consulting industry, retaining experts is vital for firms like XYZ Consulting, which specializes in risk, IT, and people advisory, to ensure high-quality deliverables. Established in 2017, XYZ Consulting excels in providing industry-specific solutions through a dedicated team of professionals, underscoring the importance of employee retention.

The management consulting industry has grown significantly, but high turnover remains challenging, especially in student consulting firms. Addressing turnover is crucial for performance and stability, with research emphasizing organizational justice and leadership styles (Jayanthi et al., 2019; Zayed et al., 2022). Job satisfaction and leadership transitions are key factors at XYZ Consulting that impact ongoing projects and probationary periods. Understanding different leadership styles and fostering effective communication is vital for managing transitions.

Michael Page's "The Great X" report sheds light on Indonesia's Great Resignation phenomenon, with 43% of employees considering job changes within six months. The COVID-19 pandemic prompted a reevaluation of work-life balance and job satisfaction, with top reasons for resignations including career change, progression, and dissatisfaction with salary, company direction, and culture misalignment. Notably, 68% prioritize work-life balance over salary. Employers must focus on factors like company culture, flexible work arrangements, and leadership quality to retain talent (Elsafy & Oraby, 2022; Terera & Ngirande, 2014).

The research methodology integrates qualitative interviews, content analysis, quantitative surveys, and multiple regression analysis to understand employee retention dynamics comprehensively. Leadership style theories and Maslow's hierarchy provide a framework for understanding retention at XYZ Consulting. Transformational and transactional leadership styles are examined for their impact on employee retention during transitions (Bass & Riggio, 2006; Yukl, 2013). Studies on employee loyalty, HRM practices, and retention across diverse sectors and regions reveal gaps in understanding cultural and industry-specific variations and ethical considerations in fostering loyalty (Aldamoe et al., 2012; Malik et al., 2022; Tej et al., 2021; Kloutsiniotis et al., 2022; Subramanian & Suresh, 2022). The role of loyalty in high-contact service industries is acknowledged, but its significance in low-contact industries remains underexplored. The dynamics of the contemporary job market, including the interplay between job security, HRM practices, and employee loyalty, offer further research opportunities. Additionally, the emphasis on sustainability in employee satisfaction and retention, particularly in the hospitality industry, prompts investigation into sustainability-focused HRM practices in other sectors. Further study is warranted on the relationship between loyalty and firm growth, especially when comparing manufacturing and service sectors.

This research aims to identify the factors influencing employee retention at XYZ Consulting, focusing on organizational culture, professional development opportunities, and compensation packages. The study will analyze trends in the evolving consulting industry that affect retention challenges and strategies.

B. RESEARCH METHODS

Data Collection

The study employed a qualitative approach with thematic analysis to explore employee retention perspectives thoroughly. Thematic analysis identified vital themes, enhanced by multiple transcript reviews and peer debriefings. Transferability was ensured through detailed contextual descriptions. Data collection involved semi-structured interviews with five purposively selected HR managers from XYZ Consulting, focusing on employee engagement strategies, HR challenges, and organizational policies' impact on retention. Interview topics, validated through pilot testing, explored under-studied aspects such as influences on retention decisions, the relationship between company culture and professional growth, the impact of compensation on motivation, effects of industry changes on employee experience, and opinions on industry trends related to job stability and career advancement.

In order to ensure diverse perspectives, four interviewees were strategically chosen from different roles and experiences within the company and HR function: 1) An HR Manager with ten years in talent acquisition; 2) An HR staff member with two years of experience; 3) A Consultant Manager with seven years in business and IT consulting; and 4) A Senior Consultant with eight years in People and Organization. Additionally, a fifth manager with an HR consulting background provided an external perspective. These selections aimed to capture a wide range of HR management experiences, including generational differences and domestic vs. international viewpoints, enhancing the transferability of the findings. Employee retention variables formed the research foundation, with variables and codes created to evaluate aspects like leadership, company policies, career development, organizational culture, communication, and compensation. Employees rated each variable on a five-point Likert scale from 1 (Strongly Disagree) to 5 (Strongly Agree).

Table 1. Employee Satisfaction Survey

Variables	Codes	Survey Scale: (1 = Strongly Not Agree; 2 = Not Agree; 3 = Neutral; 4 = Agree; 5 = Strongly Agree)
Employee Retention	Employee Turnover	I feel that employee turnover in this company is relatively high
	Challenges in Securing Compensation	I feel that I receive fair and competitive compensation at this company.
	Retention Strategies	The training and professional development provided by the company increase my desire to stay with this company.
	Best Talent Retention	This company has succeeded in retaining its best talents.
	The Importance of Humans as the Core of Business	People are considered the most important asset in this company.
Organizational Culture	Organizational culture	I feel that the organizational culture here supports my personal development.
	Company Culture	I am proud of the culture of the company where I currently work.
	Trust and Culture	I feel this company has a high level of trust between employees and management.

Variables	Codes	Survey Scale: (1 = Strongly Not Agree; 2 = Not Agree; 3 = Neutral; 4 = Agree; 5 = Strongly Agree)
Work Patterns	Company Values	The company consistently applies its values in daily operations.
	Nature Consultant Jobs	The nature of consultant work at this company requires rapid adaptation to change.
	Work Patterns	The workload at this company is fair and commensurate with the compensation I receive.
	Work-life Balance & Workload	I feel that the workload given to me allows me to achieve a balance between work and personal life.
	Flexible Work Hours	The company provides flexibility in working hours, which allows me to adapt to my personal needs.
Communications	Work-Life Balance	I feel the company supports the balance between my work and personal life.
	Communications	Employees are given sufficient opportunities to express opinions or questions.
	Two Way Communication	Management listens and responds quickly to input from employees.
Systems Innovation	Project Structure Influence on Retention	I feel that communication in this company is two-way, not just from top to bottom.
	Systems and Technology	The systems and technology used in this company make my work easier.
	Innovation Foundation	I feel encouraged to innovate and bring new ideas to my work.
Skill Development Opportunities	Utilization Metrics	The metrics used in this company help in decision-making.
	Skill Development Opportunities	The company provides many opportunities for me to develop my skills.
	Employee Development & Promotion	The company has clear and well-defined career paths for employee development and promotion.
	Leadership Development	I feel that leadership development is valued and encouraged at this company.
	Professional Development	The company supports and facilitates my professional development through training, workshops, and seminars.
	Certification	The company supports and/or provides incentives for employees seeking professional certification.
	Individual Development Plan (IDP)	I was allowed to create an Individual Development Plan (IDP) to guide my career growth.
Compensation and Benefits	Compensation and Benefits Structure	The compensation and benefits structure at this company has been well structured.
	Compensation and Incentives	The incentives given are following my work contribution.
	Cash Benefits & Consistency	The cash benefits I received were consistent and in line with my expectations.
	Compensation and Benefits	I am satisfied with the compensation and benefits provided by this company.
	Salary Policies	The salary policy at this company is transparent and fair.
	Bonus Projects	Bonus projects are awarded based on individual merit and contribution.
	Flexibility Bonus	I feel there is flexibility in receiving bonuses according to my needs and preferences.
	Layering Compensation	This company's compensation layers allow for varying incentives according to level and role.
	Remuneration	I feel that the remuneration I receive is commensurate with the responsibilities and duties I undertake.
	Flexible Reward Program	This company's flexible rewards program allows me to choose the best benefits.
Leadership	Vacation Rewards	I feel appreciated with a vacation or leave the program as a form of appreciation for my work dedication.
	Leadership	Leaders here encourage teamwork and collaboration.
	Leadership Involvement	Leaders are often directly involved in team projects and initiatives.
	Trust and Commitment	I feel like the leadership at this company is committed to the team's success.
Company Policy	Project Leadership	Every project I work on has strong leadership and clear direction.
	Company policy	Company policies support employee growth and development.
	Policy Adjustments	The company is responsive in making policy adjustments based on employee needs.

Variables	Codes	Survey Scale: (1 = Strongly Not Agree; 2 = Not Agree; 3 = Neutral; 4 = Agree; 5 = Strongly Agree)
Career Development and Stability	Career Development and Stability	This company offers good career development opportunities.
	Promotion and Career Development	Promotion and career development in this company are based on merit, not favoritism.
	Career Acceleration	There is a special program at this company that supports career acceleration for high-achieving employees.
	Job satisfaction	I feel my work makes a meaningful contribution to this company.

Source: Research data, 2024

Data Processing

In order to ensure study reliability, a rigorous approach will be applied to qualitative data analysis using thematic analysis, with systematic coding and theme development. Pilot testing will precede the main study to validate research instruments, incorporating feedback from 20-30 XYZ Consulting employees to optimize data collection procedures. Various statistical techniques were employed for robustness. Internal consistency and indicator reliability were assessed, while convergent and discriminant validity were established. Collinearity issues were checked, and path coefficients' significance was evaluated through bootstrapping. Predictive relevance and goodness-of-fit were assessed using standardized root mean square residual and normed fit index. Integration of partial least squares structural equation modeling (PLS-SEM) quantified and validated key theme relationships, enhancing overall research credibility through a comprehensive understanding of organizational dynamics.

C. RESULTS AND ANALYSIS

Thematic Analysis Data

The organization's strengths at XYZ are notably rooted in the positive and cooperative work environment where employees stand united in mutual support. The transparency fostered by clear communication channels provides a platform for employees to voice their opinions, fostering a sense of belonging. Financial stability for employees remains a cornerstone, with XYZ consistently providing cash benefits, even in trying times. Moreover, the company's unwavering commitment to employee welfare is evident in the decision to refrain from salary cuts during crises. The flexibility in work patterns, such as the option between Work From Home (WFH) and Work From Office (WFO), gives employees the liberty to choose a mode that best suits their needs. Safety, an indispensable facet, is emphasized, particularly for those working late shifts. Career progression at XYZ is also commendable, with employees frequently advancing from junior to senior positions and continuing annual promotions under regular circumstances.

Table 2. Thematic Analysis

Theme	Codes	Definition	Quotation
Employee Satisfaction and Well-being	Employee Turnover, Organizational Culture, Work-Life Balance and workload, Positive Work Environment, Work Safety	Factors impacting employee satisfaction and well-being, including work environment, safety, and work-life balance.	- Employee Turnover: "The turnover rate here at XYZ has been significantly high..." - Organizational Culture: "The work environment at XYZ is very supportive..."
Professional Growth and Development	Skill Development Opportunities, Employee Development & Promotion, Career Development and Stability, Promotion and Career Development	Opportunities and policies related to professional growth, including training, promotion, and career advancement.	- Skill Development Opportunities: "There is a pressing need to concentrate more on each individual's professional development..."
Compensation and Benefits	Compensation and Benefits Structure, Compensation and Incentives, Cash Benefits & Consistency, Compensation and Benefits	Financial and additional benefits are provided to employees, reflecting a commitment to welfare and stability.	- Compensation and Benefits Structure: "Despite facing various challenges during the pandemic, our company remains steadfast in ensuring employee welfare..."
Work Flexibility and Patterns	Work Patterns, Company policy	Flexible work arrangements and how they affect productivity and well-being.	- Work Patterns: "Flexible work patterns, such as Work From Home (WFH) and Work From Office (WFO), often emerge..."
Leadership and Communication	Leadership, Communication, Two-Way Communication	Quality of leadership and importance of communication within the organization.	- Leadership: "I feel that sometimes there is too much 'micromanagement' going on here..."

Theme	Codes	Definition	Quotation
Company Policy and Culture	The Importance of Humans as the Core of Business, Policy Adjustments, Company Culture	Company's policies and culture influencing employee engagement and satisfaction.	- The Importance of Humans as the Core of Business: "Humans, with all their abilities, intuition and creativity, are the fundamental basis of every business..."
Technology and Systems	Systems and Technology	Role of technology and systems in enhancing work efficiency and satisfaction.	- Systems and Technology: "Convenient, flexible, and efficient - that is what employees working in today's digital era feel..."

Source: Research data, 2024

Employee Long-Term Commitment Strategy

Table 3. Strategy For Employee

Theme	Current State	Room for Improvement
Employee Satisfaction and Well-being	Supportive work environment enhancing satisfaction and loyalty. High employee turnover affects team morale and productivity.	Focus on reducing turnover rates to stabilize the workforce and maintain business sustainability.
Professional Growth and Development	Emphasis on employee advancement and skill development. Communication gaps between new employees and senior managers.	Enhance professional development mechanisms like coaching and improve communication channels for organizational cohesion.
Compensation and Benefits	Maintaining financial stability for employees during challenging times, with salary increases.	Adapt compensation and benefits to changing economic conditions and employee needs to remain competitive.
Work Flexibility and Patterns	Exploring the balance between WFH and WFO patterns for productivity and well-being.	Develop a seamless integration of WFH and WFO to ensure adaptability and collaboration in the work environment.
Leadership and Communication	Concerns about micromanagement affecting employee autonomy and motivation.	Implement empowering leadership styles and enhance open, two-way communication to build trust and commitment.
Company Policy and Culture	Appreciation for policies supporting welfare and career development.	Ensure consistency in implementing company culture and policies to maintain employee motivation and avoid disruption.
Technology and Systems	Leveraging technology for efficiency and work flexibility.	Continuously update and integrate systems and technology to keep up with digital advancements and ensure smooth work processes.

Source: Research data, 2024

A supportive work environment at XYZ Consulting boosts employee satisfaction and loyalty, but high turnover remains a challenge. Strategies to reduce turnover are vital for sustainability. While valuing employee development, a communication gap suggests that improved mechanisms are needed. Adapting compensation and benefits is crucial for sustained competitive advantage. Exploring flexible work patterns can enhance productivity and well-being but requires seamless integration. Leveraging technology for operational efficiency requires ongoing updates. Targeted improvements can enhance organizational effectiveness and employee satisfaction at XYZ.

Quantitative Result

Regression Analysis

The regression analysis in this study utilized a two-tailed test type, operating within a 95% confidence level, enabling a comprehensive assessment of variable relationships, encompassing both positive and negative correlations. The outcomes of this analysis were visually depicted in Figure 1, offering a lucid and user-friendly portrayal of the data and its interconnections. Furthermore, to enhance precision and comprehensiveness, the results were systematically tabulated in Table 4, offering a dual presentation that facilitated both a swift visual review and a thorough scrutiny of the data's intricacies.

Table 4. Regression Analysis Result

Variable	Path Coefficient (b)	T value (t)	P value (p)
C	-0.042	0.223	0.825
CB	0.331	1.801	0.081
CD	-0.332	1.754	0.089
CP	0.337	1.696	0.1
L	0.243	1.167	0.252

Variable	Path Coefficient (b)	T value (t)	P value (p)
OC	-0.008	0.043	0.966
SD	0.165	0.857	0.398
SI	0.111	0.735	0.468
WP	0.139	0.965	0.342
Intercept	0	0	1

Source: Research data, 2024

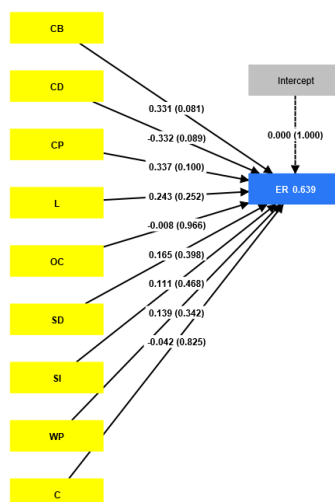


Figure 1. Regression Model

Source: Research data, 2024

The study's analysis yielded disappointing results as all hypotheses were invalidated due to P-values exceeding the 0.05 threshold. This could be attributed to the limited sample size of 41 participants, which is particularly restrictive given the model's complexity with ten variables. In order to address this, the number of independent variables was reduced to four based on the lowest P-values: CB (0.081), CD (0.089), CP (0.1), and L (0.252). The revised regression model, labeled phase 2, was visually depicted in Figure 2, and detailed results were documented in Table 5 for clarity. This dual approach aims to provide a clear and comprehensive evaluation of the modified model's performance.

Table 5. Regression Analysis Result (Phase 2)

Variable	Path Coefficient (b)	T value (t)	P value (p)
CB (Compensation and Benefits)	0.459	3.348	0.002***
CD (Career Development and Stability)	-0.312	1.827	0.076*
CP (Company Policy)	0.4	2.671	0.011**
L (Leadership)	0.343	1.893	0.066*
Intercept	0	0	1

Note: (*) : $p < 0.1$, (**) : $p < 0.05$, (***) : $p < 0.01$

Source: Research data, 2024

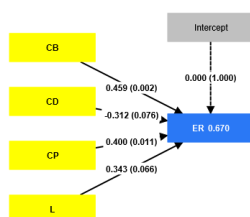


Figure 2. Regression Analysis Result (Phase 2)

Source: Research data, 2024

Phase 2 regression analysis results are summarized in Table IV.8. Career Benefits (CB) have a significant positive relationship with the dependent variable (path coefficient: 0.459, t-value: 3.348, p-value: 0.002). Career Development (CD) shows a marginally significant inverse relationship (path coefficient: -0.312, t-value: 1.827, p-value: 0.076). Professional Growth (CP) has a significant positive relationship (path coefficient: 0.4, t-value: 2.671, p-value: 0.011). Leadership (L) shows a marginally significant positive relationship (path coefficient: 0.343, t-value: 1.893, p-value: 0.066). Despite statistical significance, the inverse relationship of Career Development requires further investigation to refine the hypothesis and interpretation.

Regression Analysis: Age, Gender, and Education as Control Variable v1 (Separating data based on Control Variable)

In this phase, the revised model included three control variables: age, gender, and education. Age groups were divided into 20-25 and above 25, with 22 and 19 respondents, respectively. Gender categories were male (17) and female (24). Education levels were Bachelor (29) and Master (12). Results in Table 6 show that for those aged 20-25, Compensation and Benefits (CB) significantly influenced Employee Retention (ER) (b = 0.601, p = 0.001). For those above 25, no variables significantly affected ER. Male employees were influenced by favorable company policies (b = 0.815, p = 0.007), while female employees were influenced by compensation (b = 0.828, p = 0.000) and strong leadership (b = 0.497, p = 0.036). Career Development had a significant negative impact on ER for female employees (b = -0.495, p = 0.028), which was unexpected and required further investigation.

Table 6. Differential Impact of Variables on Outcome by Age, Gender, and Degree Level

Variable	Original		By Age				By Gender				By Degree			
			20-25		>25		Male		Female		Bachelor		Master	
	b	p	b	p	b	p	b	p	b	p	b	p	b	p
Intercept	0.000	1.000	-0.188	0.092	0.192	0.270	0.068	0.671	-0.035	0.753	0.023	0.836	0.179	0.552
CB	0.459	0.002	0.601	0.001	0.404	0.137	0.194	0.319	0.828	0.000	0.397	0.022	0.725	0.022
CD	-0.312	0.076	-0.280	0.160	-0.557	0.133	-0.247	0.430	-0.495	0.028	-0.016	0.937	-1.309	0.023
CP	0.400	0.011	0.267	0.092	0.631	0.135	0.815	0.007	0.108	0.540	0.423	0.017	0.474	0.315
L	0.343	0.066	0.349	0.139	0.335	0.244	0.176	0.544	0.497	0.036	0.211	0.312	1.024	0.030

Source: Research data, 2024

Within the education category, employees with a bachelor's degree prioritize compensation (b = 0.397, p = 0.022) and company policy (b = 0.423, p = 0.017). Those with a master's degree value compensation (b = 0.725, p = 0.022) and leadership (b = 1.024, p = 0.030). However, Career Development significantly negatively impacted Employee Retention (ER) for those with a master's degree (b = -1.309, p = 0.023), contrary to expectations. This unexpected result necessitates further investigation, possibly by expanding the sample size or re-evaluating the research instruments to improve accuracy.

Regression Analysis: Age, Gender, and Education as Control Variable v2 (Adding Control Variable as Independent Variable)

The current model includes Age, Gender, and Education as independent variables (see Figure 3), categorized into binary groups. An age value 1 signifies 20-25 years, and 0 indicates over 25 years. Gender is coded as 1 for males and 0 for females. Education is coded as 1 for a bachelor's degree and 0 for a master's degree. Regression analysis results are presented in Table 7.

Table 7. Regression Analysis with Control Variable

Variable	Path Coefficient (b)	T value (t)	P value (p)
CB (Compensation and Benefits)	0.518	3.786	0.001
CD (Career Development and Stability)	-0.372	2.108	0.042
CP (Company Policy)	0.331	2.062	0.047
L (Leadership)	0.362	1.982	0.056
Age	-0.201	2.13	0.04
Gender	-0.017	0.157	0.876
Education	0.034	0.361	0.72
Intercept	0	0.949	0.349

Source: Research data, 2024

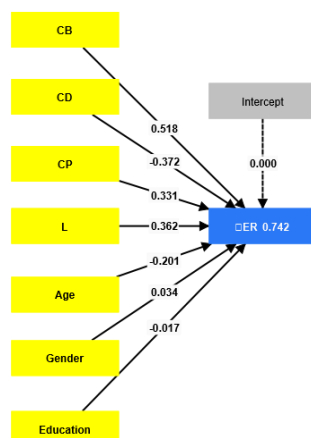


Figure 3. Regression with Control Variable Analysis Result

Source: Research data, 2024

Upon reviewing the results, including age, gender, and education variables does not significantly alter the original model's findings. Compensation and Benefits (CB), Career Development (CD), and Professional Growth (CP) maintain their significant impacts on Employee Retention (ER), while Leadership (L) remains statistically insignificant. The CD continues to show a negative association with ER. Age is notable, with a path coefficient of -0.201 and a p-value of 0.04, indicating higher retention rates for employees over 25. Gender and education are insignificant ($p = 0.72$ and $p = 0.349$, respectively).

Additional Analysis: Goodness of Fit Test

The goodness-of-fit test evaluates how well a theoretical model aligns with observed data to identify deviations between expected and actual values. It typically includes metrics like R-squared, indicating the proportion of variance the model explains. Table 8 presents the findings from this test, offering a detailed assessment of the model's validity and effectiveness.

Table 8. Goodness of Fit Test Result

Parameters	Value
R-square	0.703
R-square adjusted	0.67

Source: Research data, 2024

In regression analysis, R-squared measures the variance in the dependent variable explained by the independent variables. Adjusted R-squared refines this by considering only relevant variables, providing a more accurate model assessment. Preferred for its precision in complex models, the adjusted R-squared in this study shows that it explains 67% of the variance in employee retention (ER), indicating strong explanatory power and relevance of the selected variables.

Additional Analysis: Classical Assumption Test

Classical assumption tests validate regression models by ensuring reliability and validity through three key tests: Normality, Collinearity, and Heteroskedasticity. Normality was assessed using a Q-Q Plot, Residual Histogram, and Skewness-Kurtosis values to check data distribution symmetry. Collinearity was examined with the Variance Inflation Factor (VIF) to detect multicollinearity among variables. Heteroskedasticity was tested with the Breusch-Pagan Test to verify consistent error term variance. These tests collectively enhance confidence in the study's findings.

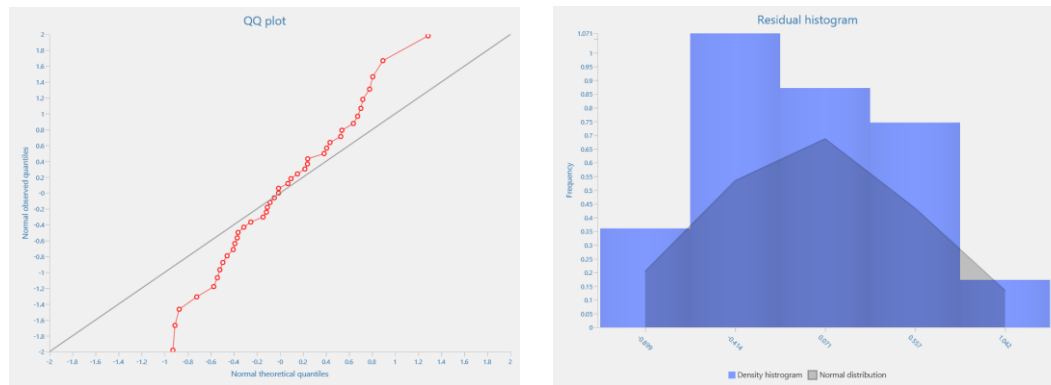


Figure 4. Q-Q Plot and Residual Histogram
 Source: Research data, 2024

Table 9. Normality Test

Parameters	Value
Excess kurtosis	-0.668
Skewness	0.079

Source: Research data, 2024

Table 10. Collinearity Test

Variables	VIF
CB	2.458
CP	3.421
L	2.754
SD	3.557

Source: Research data, 2024

Table 11. Heteroskedasticity Test

Parameters	Test-Statistic	df	P value
Breusch-Pagan (BP) Test	6.829	4	0.145

Source: Research data, 2024

The data analysis showed slight deviations from a perfectly symmetrical distribution, with a slight leftward skew and flatter kurtosis. No significant multicollinearity was observed, as VIF values were below 5. The data demonstrated homoscedasticity, with consistent error variance throughout, according to the Breusch-Pagan test. Despite failing the normality test, the model met the criteria for collinearity and homoscedasticity, making it 'sufficiently normal' for the study. This approach balances statistical rigor with practical constraints in data analysis.

Table 12. Regression Analysis Coefficients for Predictive Factors

Variable	Unstandardized coefficients	Standardized coefficients	SE	T value	P value	2.5%	97.5%
Age	-0.404	-0.201	0.190	2.130	0.040	-0.789	-0.019
CB	0.518	0.518	0.137	3.786	0.001	0.240	0.796
CD	-0.372	-0.372	0.176	2.108	0.042	-0.731	-0.013
CP	0.331	0.331	0.160	2.062	0.047	0.005	0.657
Degree	-0.038	-0.017	0.243	0.157	0.876	-0.532	0.456
Gender	0.068	0.034	0.189	0.361	0.720	-0.316	0.452
Intercept	0.215	0.000	0.227	0.949	0.349	-0.246	0.677
L	0.362	0.362	0.182	1.982	0.056	-0.009	0.732

Source: Research data, 2024

Discussion

Employee turnover poses a significant challenge globally, affecting organizational performance and profitability. In Indonesia, turnover rates are particularly high in banking and startups. Job satisfaction is vital in mitigating turnover, as dissatisfied employees are prone to seeking new opportunities. Strategic management should prioritize employee satisfaction to curb turnover costs. Organizational leadership transitions can also impact turnover rates, with different leadership styles influencing employee confidence during changes. Transformational leaders motivate employees through effective communication, while transactional leaders rely on a reward-based system. Demonstrating emotional intelligence during leadership transitions enhances employee security and morale.

Change can significantly affect employee performance and operational efficiency, with resistance often stemming from fear and uncertainty, leading to organizational tension. Employee retention during leadership changes is crucial for preserving organizational culture and morale. Effective leaders communicate goals clearly and adjust management styles during transitions, fostering employee receptivity. Understanding employee perspectives and involving them in the change process through feedback builds trust and commitment. It is essential to motivate employees to provide feedback by highlighting its importance and creating a change-friendly environment. Ultimately, successful change implementation depends on convincing employees of its benefits, thus fostering their investment in the process and enhancing organizational effectiveness.

The study underscores the importance of a strategic business approach, focusing on enhancing Compensation and Benefits (CB), refining Company Policy (CP), investing in Leadership (L), and re-evaluating Career Development and Stability (CD). Competitive compensation packages are crucial for attracting and retaining top talent, while clear and adaptive company policies are necessary to align with the consulting sector's dynamic nature. Although leadership did not show statistical significance, investing in leadership development and fostering open communication can yield benefits. The negative coefficient for CD highlights the need to realign career development programs to meet employee expectations and industry demands, aiming to improve operational efficiency and employee satisfaction, thereby enhancing organizational performance.

Studying employee retention in consulting firms is crucial for the industry's success and longevity. Consulting firms rely heavily on their consultants' specialized expertise to deliver high-quality services to clients. Retaining seasoned consultants is vital due to the knowledge-intensive nature of the sector and the importance of cultivating long-term client relationships. High turnover can disrupt client relationships and lead to inconsistent service delivery, impacting overall client satisfaction. Thus, addressing employee retention is essential for maintaining the quality and reliability of consulting.

CONCLUSION

The regression analysis examined the complex dynamics of Employee Retention (ER) within organizational settings. Phase 2 focused on significant predictors like Compensation and Benefits (CB), Company Policy (CP), and Career Development (CD), along with demographic variables such as age, gender, and education. Age emerged as a key determinant of ER, while gender and education showed no significant effects. Despite minor data distribution deviations, the regression model explained 67% of ER variance, validated by rigorous classical assumption tests. These findings underscore the multifaceted nature of ER and advocate for tailored retention strategies informed by organizational and demographic factors. The study offers methodological insights for future research in organizational retention dynamics.

Limitation and Further Research

While providing valuable qualitative insights, the study at XYZ is limited by its narrow participant base of five HR managers. This restricted scope may overlook diverse perspectives from employees across different levels and departments. Additionally, the qualitative approach lacks quantitative data, potentially limiting objectivity in understanding employee satisfaction and organizational performance. The temporal constraints of the study capture only a snapshot in time, possibly missing long-term impacts. Findings may not be fully applicable to other organizations in different contexts. Future research could broaden participant scope, incorporate quantitative methods, conduct longitudinal studies, explore cross-industry comparisons, and delve deeper into specific themes for a more comprehensive understanding.

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