A Study on The Factors Affecting Employee Retention in The Finance Industries at Klang Valley, Malaysia

[1]Sarina Mohamad Nor, [2]Kumaran Kanapathipillai, [3]Ananthi Balu, [4]Muhammad Adib Mohamad Mazri, [5]Wong Koon Nam, and [6]Hafiza Adenan

[1,2,6]UNITAR International University, Petaling Jaya, Selangor, Malaysia, [3]Energizer Malaysia Sdn. Bhd. Petaling Jaya, Selangor, Malaysia, [4]Ministry of Health, Putrajaya, Malaysia, [5]Schaeffler Bearings (Malaysia) Sdn. Bhd, Kuala Lumpur, Malaysia
Corresponding Author Email: sarina@unitar.my

Abstract
This study investigates employee retention in the finance industries of the Klang Valley region, recognizing its critical importance for organizational success and competitiveness. The study delves into the factors influencing retention, with a focus on organizational culture, compensation and benefits, career advancement opportunities, and work-life balance. In this study, feedback was collected from 309 questionnaires that were fully completed by employees from different finance organisations within the Klang Valley area. The reliability of variables was assessed through Cronbach's Alpha, yielding satisfactory results for all variables. Analysing the responses using the Pearson Correlation Coefficient, the study found moderate to strong positive correlations among the variables, indicating significant relationships. Utilizing Multiple Linear Regression Analysis, the study revealed that Organizational Culture and Compensation and Benefits significantly and positively influence employee retention. Work-Life Balance also demonstrated a positive effect, though of smaller magnitude. However, Career Advancement Opportunities had a minimal positive impact on retention, which was not statistically significant. These findings underscore the importance of fostering a positive work culture and offering attractive compensation and benefits to improve employee retention rates in the finance industry within the Klang Valley. A positive work culture and competitive compensation and benefits package are crucial factors in retaining talented employees. Though Career Advancement Opportunities showed a lesser impact, providing growth opportunities remains beneficial for organizations. The study concludes by discussing major findings, limitations, and future research suggestions, providing valuable knowledge for finance organizations in the Klang Valley to effectively understand and address employee retention factors.

Keywords: Employee Retention, Organisational Culture, Compensation and Benefits, Work-Life Balance and Career Advancement.

Introduction

The Klang Valley, a thriving metropolitan area in Malaysia, serves as an important economic hub thanks to well-known cities like Kuala Lumpur, Petaling Jaya, Shah Alam, and their surrounding areas. The hub of this dynamic region is the finance sector, a multifaceted industry in charge of numerous financial services and activities. The financial sector in the Klang Valley is a significant economic growth engine and contributor to Malaysia's economic development (Kuular, 2020).

Despite being vital to the prosperity of the country, the Klang Valley's financial sector struggles with high employee turnover rates. Employee turnover rates in this industry have been a source of fret because they can place a significant financial burden on businesses (Kadir et al., 2022). Such high turnover rates have negative effects that go beyond simple financial calculations, such as decreased productivity, increased training expenses, and the loss of institutional knowledge (Massingham, 2018). Additionally, a company's performance and market position may suffer if top talent is lost to competitors. The high employee turnover rates in the finance sector are largely a result of employee dissatisfaction. Numerous factors, such as low pay, few opportunities for career advancement, and a toxic workplace environment, contribute to employee dissatisfaction (Gălătanu, 2020). To lower this churn and boost retention, organisations must proactively address these issues and develop effective employee satisfaction strategies. According to research by Okwor et al (2020), burnout is a significant factor influencing employee turnover and is common among finance professionals. Burnout is strongly correlated with long hours, high demands, and little job control and is associated with significantly higher intentions to leave among workers in the finance industry. Nurdiyansyah et al (2022) found that high job demands, and work-related stress are predictors of burnout among finance workers, which results in decreased job satisfaction and increased quitting intentions, further supporting this connection. A poor work-life balance is frequently made more challenging, according to Asfahani (2021), which exacerbates employee dissatisfaction, wellbeing compromises, and decreased productivity (Huang, 2019).

The development of comprehensive strategies that address burnout-related issues and encourage a healthy work-life balance are necessary to address high turnover rates and improve employee retention in the finance sector. Companies can do this by providing competitive compensation packages, lots of room for career advancement, and a supportive work environment that encourages engagement and job satisfaction (Gupta et al., 2019).

To better understand the factors affecting employee retention in the Klang Valley finance sector, this study uses a cross-sectional survey approach. The study's main objectives are to pinpoint the precise causes of high turnover rates, assess strategies for keeping top talent, investigate the reasons behind employee discontent, and evaluate the link between work-life balance and employee retention. By analysing the causes of high turnover rates and methods for retaining top talent, this study seeks to significantly advance our understanding of employee retention in the financial sector in the Klang Valley. Businesses in the finance sector

can develop retention strategies that enhance employee satisfaction, productivity, and general well-being using the study's findings.

Research Objectives
The research objectives for this study are as follows
   i.   To examine if there is a significant relationship between organisational culture and employee retention in the finance industry at Klang Valley.
   ii. To examine if there is a significant relationship between employee compensation and benefits and employee retention in the finance industry at Klang Valley.
   iii. To examine if there is a significant relationship between work-life balance and employee retention in the finance industry at Klang Valley.
   iv. To examine if there is a significant relationship between career advancement opportunities and employee retention in the finance industry at Klang Valley.

Research Framework
This research framework constructed to investigate the relationships between the four variables with the dependent variable being employee retention.
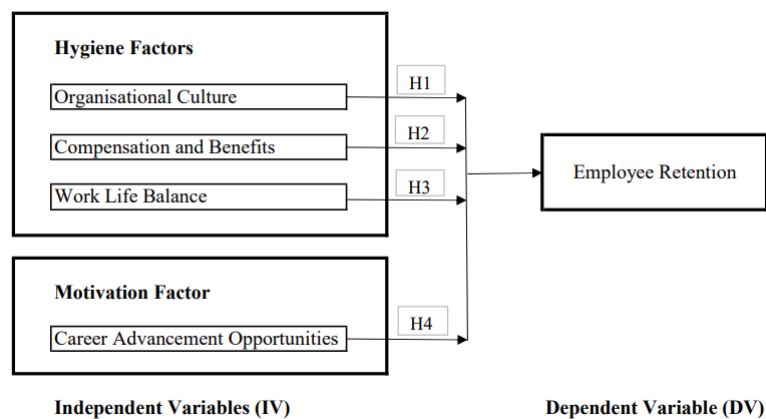

Figure 1: Research Framework of the Proposed Study Indicating

Independent Variables and Dependent Variable
This research hypotheses were developed based on the above framework
H_1: There is a significant relationship between organisational culture and employee retention in the finance industry at Klang Valley.
H_2: There is a significant relationship between employee compensation and benefits and employee retention in the finance industry at Klang Valley.
H_3: There is a significant relationship between work-life balance and employee retention in the finance industry at Klang Valley.
H_4: There is a significant relationship between career advancement opportunities and employee retention in the finance industry at Klang Valley.

Underpinning Theory and Model
Herzberg's Two-Factor Theory (Herzberg, 1966)
This study utilizes Herzberg's Two-Factor Theory as a framework to explore the determinants of employee retention in the finance industry in the Klang Valley region (Herzberg, 1966). The theory categorizes factors influencing employee retention as hygiene factors and motivators.

The study focuses on four independent variables: Organisational Culture, Compensation and Benefits, Work-Life Balance, and Career Advancement Opportunities, with Employee Retention as the dependent variable. Numerous studies across various industries, including the finance sector, have supported the theory's relevance in employee retention. Positive organisational culture, competitive compensation, career advancement opportunities, and work-life balance are crucial factors in attracting and retaining talent in the finance industry. Understanding these factors enables organisations to implement effective strategies to enhance employee retention, satisfaction, engagement, and loyalty, ultimately improving overall performance.

Literature Review and Hypotheses Development
Employee Retention (ER)
Employee retention is crucial for organisational success, involving the ability to retain talented employees for a longer period compared to competitors (Armstrong, 2022). It requires creating an engaging work environment that fosters employee commitment to the organisation's goals (Arshad et al., 2021). Retaining employees offers benefits such as a stable workforce, reduced recruitment costs, and retained organisational knowledge (Wang et al., 2022). Engaging employees is vital for retention, achieved through practices like career development, competitive compensation, recognition, and a positive work environment (Chen and Huang, 2019; Gupta and Kumar, 2020). High employee turnover leads to decreased productivity and increased recruitment costs (Shen et al., 2021). Job satisfaction and commitment contribute positively to employee retention (Kumar and Ahmed, 2020; Kim and Kwon, 2022). Voluntary turnover is a significant challenge where employees willingly leave due to personal or organisational factors (Hom et al., 2020). Personal reasons include family situations and career opportunities, while organisational factors involve lack of growth prospects and unfair treatment (Hom et al., 2020). Shocks, whether positive or negative, significantly influence employees' intention to leave (Yang et.al., 2021; Wang et al., 2021). Addressing these triggers effectively is crucial for improving retention (Porter et. al., 2019)
. In conclusion, employee retention requires engaging employees and addressing turnover triggers effectively. Strategies such as career development, work-life balance, competitive compensation, and a positive work environment enhance retention rates (Allen and Eby, 2018). Understanding the underlying causes of turnover and fostering employee satisfaction and commitment contribute to long-term organisational success (Kaur and Kaur, 2019).

Organisational Culture (OC)
H_1: There is a significant relationship between organisational culture and employee retention in the finance industry at Klang Valley.

Organisational culture significantly influences employee retention, as it shapes employees' motivation, job satisfaction, and commitment to the organisation (Schein, 2017). A positive organisational culture, characterized by clear values, a supportive work environment, growth opportunities, strong leadership, open communication, and employee empowerment, has been consistently linked to higher levels of employee retention (Sorenson and Sorenson, 2019; Chen et al., 2018; Johnson and Johnson, 2020; Peters et al., 2017; Smith and Davis, 2018). Creating a positive organisational culture fosters employee engagement, job satisfaction, and commitment, leading to a more engaged and committed workforce. Studies have also highlighted the adverse effects of a negative organisational culture on employee

retention. A toxic work environment with a lack of employee development and support can lead to high turnover rates, decreased job satisfaction, and low employee engagement (Mwangi and Nzulwa, 2019). Additionally, a negative organisational culture may contribute to employee burnout, further influencing turnover intentions (Yeh et al., 2017). In the finance industry, high turnover rates are common, leading to significant costs and reduced organisational effectiveness. Therefore, it is crucial for finance organisations to focus on retaining employees. By understanding the relationship between organisational culture and employee retention, organisations can identify strategies to improve retention rates and reduce turnover costs. This involves creating a positive organisational culture that aligns with employees' values and expectations, fostering higher employee engagement, job satisfaction, and ultimately, improved retention rates. In conclusion, organisational culture plays a pivotal role in influencing employee retention. A positive culture enhances employee satisfaction, commitment, and well-being, leading to higher retention rates. Conversely, a negative culture contributes to turnover and employee burnout. To promote employee retention, organisations must prioritize the development of a positive organisational culture that supports employees' growth, fosters a supportive work environment, and aligns with their values and expectations. By doing so, finance organisations can create a more engaged and committed workforce, resulting in improved overall performance, and reduced turnover costs.

Compensation and Benefits (CB)

H_2: There is a significant relationship between employee compensation and benefits and employee retention in the finance industry at Klang Valley.

Compensation and benefits play a crucial role in employee retention, impacting motivation, job satisfaction, and commitment (Schein, 2017). A well-designed package includes salary, bonuses, health insurance, retirement plans, and perks (Milkovich et al., 2021). Retaining talent is vital as it costs more to replace employees than to retain them (Heneman and Schwab, 2019), and high turnover reduces productivity, morale, and customer satisfaction (Bowling and Burns, 2019). To retain employees, organizations must offer competitive compensation and benefits (Yang and Hung, 2020). Fair pay and benefits comparable to industry standards foster loyalty (Kim and Leung, 2019). Unique benefits like flexible work schedules, wellness programs, and paid time off create a positive work environment (Zhang and Zhu, 2018). A total rewards approach, combining monetary and non-monetary rewards like career development, work-life balance initiatives, recognition, and flexible work arrangements, gains popularity (Armstrong and Taylor, 2017). Pay-for-performance systems motivate employees (Milkovich et al., 2021). A strong Employee Value Proposition (EVP) differentiates organizations, attracting top talent (Kataria and Garg, 2019; Berger and Berger, 2019). Customizable compensation and benefits meet diverse needs, enhancing personalization and flexibility (Schein, 2017). Transparent communication builds trust (Armstrong and Taylor, 2017). Organizations focus on emerging trends, including employee well-being, mental health support, diversity, financial wellness, and technology integration (Deloitte, 2021). Studies support the positive relationship between compensation, benefits, and employee retention in finance. Chen and Chen (2017) found competitive compensation positively influences retention in Taiwanese banking. Bello and Arimi (2020) demonstrated that compensation and benefits significantly predict retention in Nigerian banking. Khalid and Nawab (2018) found fair compensation perceptions positively affect employee retention.

Employee participation moderates' compensation's impact on retention (Khalid and Nawab, 2018). In conclusion, compensation and benefits are critical for attracting and retaining a motivated and committed workforce. Well-structured packages, combined with a positive work environment, increase loyalty, satisfaction, and commitment (Milkovich et al., 2021; Heneman and Schwab, 2019). Prioritizing compensation that aligns with employees' needs fosters retention, giving organizations a competitive advantage in the finance industry (Milkovich et al., 2021).

Work-Life Balance (WLB)
H_3: There is a significant relationship between work-life balance and employee retention in the finance industry at Klang Valley.

Work-life balance is crucial for employee retention as it positively influences job satisfaction and commitment (Chauhan et al., 2021; Lockwood, 2018). Flexible work arrangements lead to higher job satisfaction and lower stress (Kossek et al., 2019), resulting in improved engagement and organisational commitment (Kossek et al., 2019). Organisations prioritizing work-life balance attract and retain talented employees (Greenhaus and Powell, 2018). Favourable work-life balance reduces burnout and enhances well-being (Grawitch et al., 2020). High work-life balance perception increases employee engagement, commitment, motivation, and effort (Allen et al., 2021). Flexible work arrangements positively impact employee retention (Hansen and Andersen, 2020; Qi and Sun, 2018). In contrast, work-life conflict is associated with higher turnover intentions (Jin and Yu, 2020). Poor work-life balance leads to negative outcomes such as job dissatisfaction and emotional exhaustion, contributing to turnover intentions (Chen and Yang, 2022; Cohen et al., 2021). In the health sector, work-life balance is essential for employee retention. Work-life balance negatively affects employee retention (Koigi and Waiganjo, 2015). Hospitals can promote retention by providing flexible work arrangements to improve job satisfaction. In conclusion, work-life balance significantly influences employee retention. Organizations that prioritize work-life balance experience lower turnover rates, while poor work-life balance is associated with higher turnover intentions. Implementing work-life balance policies and practices, such as flexible work arrangements and paid leave, positively impacts employee retention.

Career Advancement Opportunities (CAO)
H_4: There is a significant relationship between career advancement opportunities and employee retention in the finance industry at Klang Valley.

Career advancement opportunities play a crucial role in employee retention in the finance industry, as they contribute to job satisfaction and loyalty (KPMG, 2020). A proactive approach to managing careers, embracing change, and developing a global perspective is essential for individuals seeking career growth (Jones, 2021). Technology, especially social media, can aid in networking and skill development but requires caution in its use (Brown, 2020; Khan, 2022). Providing career development opportunities is vital for retaining skilled employees in the finance industry (PwC, 2021). Organisations investing in employee career development experience lower turnover rates and increased engagement (Deloitte, 2021). A study in a hospital context revealed a positive association between career development opportunities and employee retention (Koigi and Waiganjo, 2015). However, a study by Koech (2019) suggests that the relationship between career advancement opportunities might not

be a crucial factor in retaining employees. Nonetheless, most studies have found a positive correlation between these factors. In conclusion, career advancement opportunities significantly impact employee retention in the finance industry. Proactive career management, technological advancements, and investing in employee development are essential strategies to improve retention rates. Organisations in the finance industry must prioritize career advancement opportunities to retain skilled employees and enhance overall performance.

Methodology
Research Design and Sampling
An online questionnaire is carefully being designed to collect the primary and quantitative data from the target groups to gather more information about the factors that affecting the employee retention in Finance industry at Klang Valley. The questionnaire took about 15 minutes to complete, it helps to examine the data collections from all respondents. According to the data presented by HRD Corporation Annual Report (2021), the total registered employers by Finance Sector in 2021 was 1,331 with total numbers of employees at 246,561. A sum of 384 respondence considering (Krejcie and Morgan,1970) have been gotten from the circulated poll and the reactions will be additionally examined to introduce a trustworthy and precise outcome.

Questionnaire
A total of 5 sections are determined in this measurement study: Section 1 (Organisation Culture), Section 2 (Compensation & Benefits), Section 3 (Work Life Balance), Section 4 (Career Advancement Opportunities), Section 5 (Employee Retention). The questionnaires are adapted from previous similar research conducted by Lam et al. (2015) and amended to suit this research. The formed inquiries for the second piece of the survey utilized the Likert scale which ordinarily gives the respondents the choice of giving their degree of assessment on the inquiries (1 = Strongly Disagree, 5 = Strongly Agree).

Reliability of the Instrument
The reliability test had been conducted and the findings for the independent variables and dependent variable are shown as in below. The reliability test was used to indicate result obtained consistently free from random errors. Table1 below indicates the Interpretation of Cronbach's alpha (α) for Reliability Analysis (Hair et al., 2019).

Table 1

Coefficient of Independent Variables and Employee Retention for Actual Data Collection (Reliability Analysis) n = 309

Variables	Case Processing Summary	n	%	Cronbach's Alpha	No. of Statements
Independent Variables - Motivation Factors					
Career Advancement Opportunity	Valid	309	100	0.922	6
	Excluded	0	0		
	Total	309	100		
Independent Variables - Hygiene Factors					
Organisational Culture	Valid	309	100	0.784	5
	Excluded	0	0		
	Total	309	100		
Compensation Benefits	Valid	309	100	0.821	6
	Excluded	0	0		
	Total	309	100		
Work Life Balance	Valid	309	100	0.942	6
	Excluded	0	0		
	Total	309	100		
Dependent Variable					
Employee Retention	Valid	309	100	0.844	5
	Excluded	0	0		
	Total	309	100		

Data Collection

The surveys for the review were conducted through Google Form Structures and circulated to the respondents by means of various virtual social media channels, for example, WhatsApp's and electronic mails which would give helpful admittance to the members. The selected population for this research was among the employees in Finance Industry in Klang Valley as they are the target group of research population to meet the demographic characteristics. The chosen populace is also more pertinent due to the diversity of the population in terms of gender, age, education, and income level. In this study, 309 completed questionnaires were collected out of the 384 sets distributed, indicating a response rate of 80%. This aligns with findings from Afifi and Mayhew's (2020) study, which suggests that a sample size representing 80% of the target population is generally adequate to achieve a confidence level of 95% with a margin of error of 5%.

Statistical Analysis

Using information acquired through the questionnaire, a thorough study of descriptive and inferential statistics is reviewed to offer insightful information. Specifically, the dataset consists of responses from 309 participants residing in the Klang Valley region. To ensure the validity of the study, the reliability of the survey instrument has been thoroughly verified. The results were carefully examined and categorized into various sections, including demographic analysis, reliability testing, Pearson Correlation Analysis, and Multiple Regression Analysis.

Results

Demographic Profile

The study in the Klang Valley region focused on the finance sector and collected 309 valid surveys through random sampling. Most of the participants were female (62%), while 38% were male. Most respondents (55%) were from the Kuala Lumpur district, followed by Petaling (18%) and Klang (12%). Regarding age, 41% were between 21 and 29, 29% between 30 and 39, 22% between 40 and 49, 8% above 50, and only 1% were under 21. In terms of education, 45% had degrees or diplomas, 40% were postgraduates, and 10% had additional certifications. In terms of work experience, 34% had 1 to 5 years, 20% had over 15 years, 18% had 5 to 10 years, 16% had 10 to 15 years, and 12% had less than a year. Monthly income distribution revealed that 38% earned between RM 2,500 and RM 5,000, 20% between RM 5,000 and RM 7,500, 17% between RM 7,500 and RM 10,000, and a minority earned more than RM 20,000 per month.

Table 2
Demographic Profile of the Respondents: n=309
(80% from the 384 respondents)

Variables		n=309	Percentage (%)
Gender	Male	116	38%
	Female	193	62%
	Total	309	100%
Working Location	Wilayah Persekutuan Kuala Lumpur	169	55%
	Petaling	57	18%
	Klang	37	12%
	Gombak	9	3%
	Ulu Selangor	1	0%
	Ulu Langat	11	4%
	Kuala Selangor	3	1%
	Sepang	5	2%
	Kuala Langat	5	2%
	Sabak Bernam	1	0%
	Wilayah Persekutuan Putrajaya	11	4%
	Total	309	100%
Age Group	21 to 29	126	41%
	30 to 39	89	29%
	40 to 49	67	22%
	50 and above	24	8%
	Under 21	3	1%
	Total	309	100%
Education Level	Undergraduate	139	45%
	Others	31	10%
	Postgraduate	123	40%
	Vocational	2	1%
	Secondary	13	4%
	Primary	1	0%
	Total	309	100%

How long have you been servicing in the finance industry?	Between 1 to 5 years	105	34%
	Less than 1 year	36	12%
	Between 5 to 10 years	56	18%
	More than 15 years	63	20%
	Between 10 to 15 years	49	16%
	Total	309	100%
Which of the following best describes your personal monthly income?	Between RM 2,500 to RM 5,000	117	38%
	Between RM 5,000 to RM 7,500	61	20%
	Between RM 10,000 to RM 20,000	47	15%
	Between RM 7,500 to RM 10,000	51	17%
	Below RM 2,500	22	7%
	More than RM 20,000	11	4%
	Total	309	100%

The Reliability Analysis

The study assessed the internal consistency reliability using Cronbach's alpha for various variables: Organisational Culture (0.784), Compensation and Benefits (0.821), Career Advancement Opportunities (0.922), and Work-Life Balance (0.942). The Employee Retention variable also showed a strong alpha value of 0.844. The Cronbach alpha coefficients for these variables ranged from 0.78 to 0.94, indicating high reliability.

Table 3
Coefficient of Independent Variables and Employee Retention for Actual Data Collection (Reliability Analysis)

Variables	Case Processing Summary	n	%	Cronbach's Alpha	No. of Statements
Independent Variables - Motivation Factors					
Career Advancement Opportunity	Valid	309	100	0.922	6
	Excluded	0	0		
	Total	309	100		
Independent Variables - Hygiene Factors					
Organisational Culture	Valid	309	100	0.784	5
	Excluded	0	0		
	Total	309	100		
Compensation Benefits	Valid	309	100	0.821	6
	Excluded	0	0		
	Total	309	100		
Work Life Balance	Valid	309	100	0.942	6
	Excluded	0	0		
	Total	309	100		
Dependent Variable					
Employee Retention	Valid	309	100	0.844	5
	Excluded	0	0		
	Total	309	100		

Normality Test by QQ Plot

Q-Q Plots were employed to evaluate the normality of data pertaining to organization culture, compensation & benefits, work-life balance, and career advancement opportunities concerning employee retention. The Q-Q Plot, a visual analytical tool, was utilized to identify potential extreme outliers and to verify whether the data adheres to a normal distribution. According to Gelman and Hill (2006), a normal distribution is characterized by data points aligning closely with a straight line on the Q-Q Plot, whereas non-normal data exhibits a curved pattern, deviating from the straight line. This study's results indicate that all the variables under examination displayed normal distribution characteristics. Based on the results presented below in Figures 2 to 6, all the variables demonstrated normal distribution.
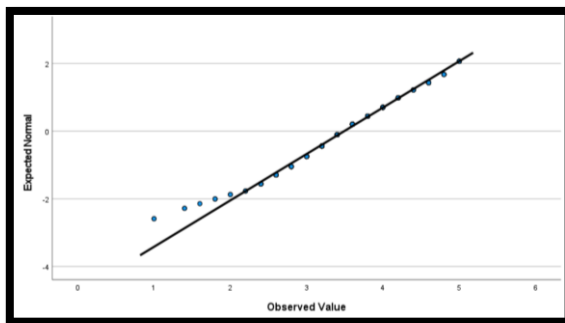

Figure 2: Normal Q-Q Plot for Organisational Culture Compensation and
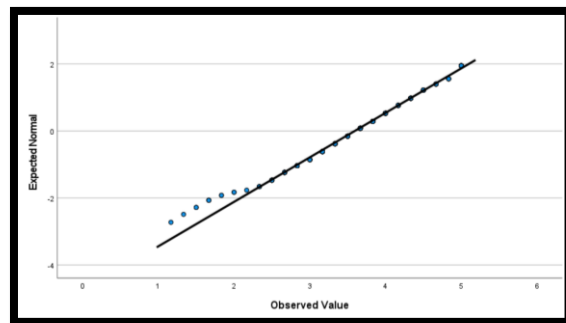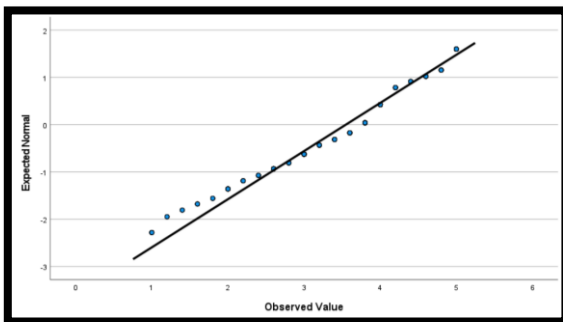

Figure 3: Normal Q-Q Plot for

Benefits

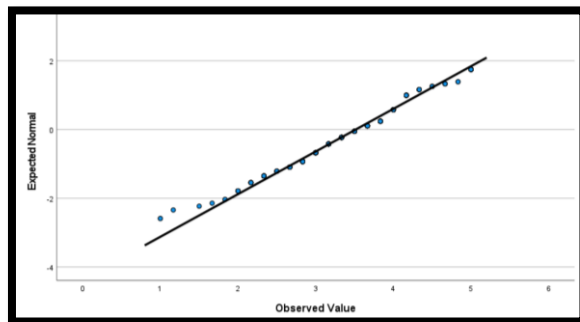Figure 4: Normal Q-Q Plot for Work-Life Balance

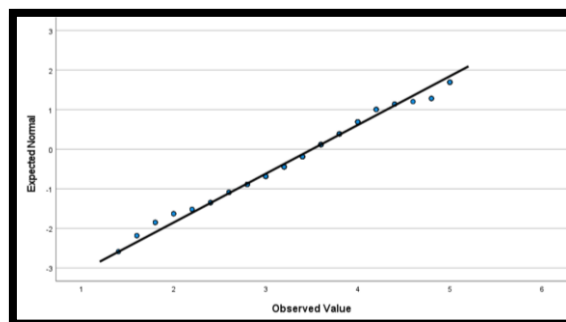Figure 5: Normal Q-Q Plot for Career Advancement Opportunity

Figure 6: Normal Q-Q Plot for Employee Retention

Pearson Correlation Analysis

The Table 4 as below, presents the results of a Pearson correlation analysis. The Pearson correlation coefficient (r) measures the strength and direction of the linear relationship between two variables (Ratnasari et al., 2022). It ranges from -1 to +1, where a positive value indicates a positive correlation, a negative value indicates a negative correlation, and a value close to zero suggests no correlation (Ratnasari et al., 2022). In this study, Pearson Correlation Analysis were employed to examine the relationships between organisational culture, compensation & benefits, career advancement opportunities, work-life balance, and employee retention, ensuring evidence of normality. The analysis in Table 4 below, indicates several significant findings: firstly, there is a strong positive relationship (r = 0.516, p < 0.001) between organizational culture and employee retention. Secondly, a significant strong positive relationship (r = 0.538, p < 0.001) exists between compensation and benefits and employee retention. Additionally, the study reveals moderate positive relationships between work-life balance and employee retention (r = 0.306, p < 0.001) and between career advancement opportunities and employee retention (r = 0.477, p < 0.001).

Table 4
Pearson Correlation Analysis
(Motivation, Hygiene and Employee Retention)

		Organisational Culture	Compensation & Benefits	Career Advancement Opportunity	Work Life Balance	Employee Retention
Organisational Culture	Pearson Correlation	1	.518**	.558**	.407**	.516**
	Sig. (2-tailed)		<.001	<.001	<.001	<.001
	N	309	309	309	309	309
Compensation & Benefits	Pearson Correlation	.518**	1	.599**	.367**	.538**
	Sig. (2-tailed)	<.001		<.001	<.001	<.001
	N	309	309	309	309	309
Work Life Balance	Pearson Correlation	.407**	.367**	.330**	1	.306**
	Sig. (2-tailed)	<.001	<.001	<.001		<.001
	N	309	309	309	309	309
Career Advancement Opportunity	Pearson Correlation	.558**	.599**	1	.330**	.477**
	Sig. (2-tailed)	<.001	<.001		<.001	<.001
	N	309	309	309	309	309
Employee Retention	Pearson Correlation	.516**	.538**	.477**	.306**	1
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	
	N	309	309	309	309	309

Table 5
Summary of Pearson Correlation Results

Research Questions	Pearson Correlation	P-Value	Relationship
RQ$_1$: Is there a significant relationship between organisational culture and employee retention in the finance industry at Klang Valley?	0.516	< 0.001	There is a significant strong positive relationship between organisational culture and employee retention
RQ$_2$: Is there a significant relationship between compensation and benefits and employee retention in the finance industry at Klang Valley	0.538	< 0.001	There is a significant strong positive relationship between employee compensation and benefits and employee retention.
RQ$_3$: Is there a significant relationship between work-life balance and employee retention in the finance industry at Klang Valley?	0.306	< 0.001	There is a significant moderate positive relationship between work-life balance and employee retention
RQ$_4$: Is there a significant relationship between career advancement opportunities and employee retention in the finance industry at Klang Valley?	0.477	< 0.001	There is a significant moderate positive relationship between career advancement opportunities and employee retention

Table 5 as below, presents the summary from the Pearson Correlation results based on the research questions illustrating the relationships between independent variables and employee retention.

Multiple Regression Analysis
Multiple regression analysis is a statistical technique that helps to identify the relationships between a dependent variable and multiple independent variables simultaneously (Hair et al., 2019).

Table 6
Multiple Regression Analysis of Independent Variables Towards Employee Retention

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t-value	p-value (Sig.)
	B	Std. Error	Beta		
1 (Constant)	.695	.213		3.265	.001
Organisational Culture	.297	.065	.267	4.563	<.001
Compensation and Benefits	.330	.064	.306	5.139	<.001
Work Life Balance	.132	.061	.131	2.162	.031
Career Advancement Opportunities	.035	.042	.042	.831	.407

Analysis of Hypotheses

Correlations between Organisational Culture and Employee Retention

H_0: There is no significant relationship between organisational culture and employee retention in the finance industry at Klang Valley.

H_1: There is a significant relationship between organisational culture and employee retention in the finance industry at Klang Valley.

The coefficient for Organisational Culture, as indicated in Table 6, yielded a p-value of <.001, which is below the predetermined significance level of 0.05 (Field, 2023). This provides strong evidence to reject the null hypothesis (H_0) and supports the conclusion that there exists a significant relationship between Organisational Culture and Employee Retention. Therefore, null hypothesis (H_0) is rejected while the alternative hypothesis (H_1) is accepted.

Correlations between Compensation and Benefits and Employee Retention

H_0: There is no significant relationship between compensation and benefits and employee retention in the finance industry at Klang Valley.

H_2: There is a significant relationship between compensation and benefits and employee retention in the finance industry at Klang Valley

The coefficient for Compensation and Benefits, as presented in Table 6, yielded a p-value of <.001 (Field, 2023). This p-value is below the predetermined significance level of 0.05, providing strong evidence to reject the null hypothesis (H_0) and indicating a significant relationship between Compensation and Benefits and Employee Retention. Therefore, null hypothesis (H_0) is rejected while the alternative hypothesis (H_2) is accepted.

Correlations between Work Life Balance and Employee Retention

H_0: There is no significant relationship between work-life balance and employee retention in the finance industry at Klang Valley.

H_3: There is a significant relationship between work-life balance and employee retention in the finance industry at Klang Valley.

The coefficient for Work Life Balance, as presented in Table 6, has a p-value of 0.031 which is less than 0.05 (Field, 2023). Therefore, this study will reject H_0 and conclude that there is a significant relationship between Work Life Balance and Employee Retention.

Correlations between Career Advancement Opportunities and Employee Retention

H_0: There is no significant relationship between career advancement opportunities and employee retention in the finance industry at Klang Valley.

H_4: There is a significant relationship between career advancement opportunities and employee retention in the finance industry at Klang Valley.

The coefficient for Career Advancement Opportunities has a p-value of 0.407 as presented in Table 6, which is greater than 0.05 (Field, 2023). As a result, it is considered as fail to reject H_0 and do not find sufficient evidence to support a significant relationship between Career Advancement Opportunities and Employee Retention. Therefore, null hypothesis (H_0) is accepted while the alternative hypothesis (H_4) is rejected in this study.

Below table 7 presents the summary from the Multiple Regression Analysis of Independent variable towards Employee Retention based on the research questions illustrating the relationships between independent variables and employee retention.

Table 7
Summary Findings for Hypotheses

Hypotheses of Study	Hypotheses
H_1: There is a significant relationship between organisational culture and employee retention in the finance industry at Klang Valley.	Reject H_0
H_2: There is a significant relationship between employee compensation and benefits and employee retention in the finance industry at Klang Valley.	Reject H_0
H_3: There is a significant relationship between work-life balance and employee retention in the finance industry at Klang Valley.	Reject H_0
H_4: There is a significant relationship between career advancement opportunities and employee retention in the finance industry at Klang Valley.	Failed to reject H_0

Conclusion and Recommendations

In conclusion, the aim of this study was to investigate the factors influencing employee retention in the financial sector of the Malaysian Klang Valley metropolitan area. Findings from a cross-sectional survey shed light on the relationships between various factors and employee retention. The demographic profile of the respondents provided an overview of the sample. The age range of 21 to 29 years had the highest percentage of respondents, the majority of whom were female. Most respondents had bachelor's degrees and worked in Kuala Lumpur. Additionally, a sizable percentage of respondents had worked for their respective companies for one to five years. Three of the four hypotheses (H_1 to H_3) were found to have a significant relationship with employee retention, and as a result, the study's findings were accepted. However, the study was unable to find enough data to support the hypothesis H_4 regarding the link between career advancement opportunities and employee retention. A positive correlation between each independent variable and employee retention was also shown by the correlation analysis. The study found that organisational culture, pay, and benefits had a strong positive correlation with employee retention, whereas career advancement opportunities and work-life balance had a more moderately positive correlation.

Considering the study's limitations and conclusions, many recommendations can be made to aid organisations and guide future research. By fostering a positive work environment, offering competitive pay and benefits, providing opportunities for career advancement, and promoting work-life balance, businesses can significantly increase employee retention rates. To increase sample representativeness for upcoming research, efforts can be made to improve sampling and data collection methods. Researchers should prioritise learning about and getting training in statistical software packages like SPSS to ensure more accurate data analysis. Additionally, combining quantitative and qualitative approaches with a variety of

data collection techniques can provide a deeper understanding of the factors that influence employee retention. Overall, the results highlight the significance of workplace hygiene and motivational factors in raising employee retention rates. Organisations can increase profitability and gain a competitive edge in the thriving finance sector of the Klang Valley by prioritising employee satisfaction and engagement through well-designed retention strategies. The insights offered by this study serve as helpful guidelines for fostering a workforce that is not only motivated and committed but also well-positioned for long-term success as organisations in the Klang Valley's finance sector work to retain their top talent and create a thriving work environment.

This study makes both theoretical and contextual contributions by refining existing knowledge on employee retention factors and offering valuable insights specifically tailored to the unique context of the financial sector in the Malaysian Klang Valley. The findings serve as a foundation for future theoretical developments and provide actionable recommendations for organisations seeking to enhance employee retention in this specific regional context.

References
Afifi, A. A., and Mayhew, M. A. (2020). *Sample Size Determination for Survey Research: Review and Recommendations.*
    https://www.researchgate.net/publication/343303677_Sample_Size_for_Survey_Research_Review_and_Recommendations
Allen, T. D., & Eby, L. T. (2018). Theoretical perspectives on the intersection of work and family: Toward an integrative framework. *Research in Personnel and Human Resources Management*, 36, 1-41.
Allen, T. D., French, K. A., & Dumani, S. (2021). Work–life balance and employee engagement: A meta-analysis. *Journal of Applied Psychology*, 106(1),101-122.
Armstrong, M. (2022). *Strategic Human Resource Management: A Guide to Effective Practice*. Kogan Page.
Armstrong, M., & Taylor, S. (2017). *Armstrong's handbook of human resource management practice: Building sustainable organisational performance improvement*. Kogan Page.
Arshad, R., Sultana, U., Iqbal, S., & Khan, S. A. (2021). Impact of Talent Management on Employee Retention: Evidence from Pakistan. *Journal of Management Research*, 21(1), 51-70.
Asfahani, A. M. (2021). Work-Life Balance and Role Conflict among Academic Staff in the Middle East: A Review of Literature. *International Journal of Higher Education*, 10(5), 82-87.
Berger, L., & Berger, J. (2019). *The employer value proposition: How to attract and retain top talent in today's competitive marketplace.* Jossey-Bass.
Bello, Y. A., & Arimi, M. (2020). The influence of compensation and benefits on employee retention in Nigerian banking industry. *Journal of Economics and Business Research,* 26(1), 66-82.
Bowling, N. A., & Burns, G. N. (2019). Meta-analytic examination of the relationships among employee job satisfaction, customer satisfaction, and financial performance. *Journal of Applied Psychology*, 104(6),1086-1104.
Brown, D. A. (2020). *The future of career advancement: How technology will change the way we work.* Harvard Business Review.

Chauhan, A. K., Chandra, B., & Paul, J. (2021). Work-life balance practices and employee job satisfaction: The mediating role of psychological empowerment. *Global Business Review*, 22(3), 701-715.

Chen, H. J., & Chen, C. C. (2017). Compensation and employee retention in Taiwanese banking industry. *Journal of Applied Economics and Business Research*, 7(2), 97-111.

Chen, I. H., & Huang, C. C. (2019). Employee retention, job embeddedness, and job satisfaction in a competitive tourism and hospitality labor market. *Sustainability,* 11(18), 5019.

Chen, J., & Yang, B. (2022). The impact of work-life balance on job satisfaction and turnover intention: A moderated mediation model. *Journal of Business Research,* 141, 676-685.

Chen, L., Zhang, J., & Wang, X. (2018). Positive organisational culture and employee retention: A multilevel analysis. *Journal of Applied Psychology*, 43(5), 789-803.

Cohen, A., Liu, Y., & Mooney, S. (2021). Work-family conflict, job embeddedness, and voluntary turnover: A moderated mediation model. *Journal of Occupational Health Psychology*, 26(1), 47-61.

Deloitte. (2021). *Deloitte Global Human Capital Trends*. https://www2.deloitte.com/content/dam/Deloitte/global/Documents/HumanCapital/gx-dup-globalhuman-capital-trends-2021.pdf

Field, A. (2023). *Discovering statistics using IBM SPSS Statistics* (5th ed.). Sage Publications

Galatanu, M. D. (2020). Job satisfaction and its elements-a qualitative analysis. *Analele Stiintifice ale Universităţii» Alexandru Ioan Cuza «din Iaşi. Sociologie şi Asistenţă Socială*, *13*(2), 99-116.

Gelman, A., & Hill, J. (2006). *Data Analysis Using Regression and Multilevel/Hierarchical Models (Analytical Methods for Social Research)*. Cambridge: Cambridge University Press. doi:10.1017/CBO9780511790942

Gupta, M., & Kumar, R. (2020). Employee retention strategies: A review and suggestions for future research. *Journal of Advances in Management Research*, 17(4), 454-469.

Grawitch, K. L., Barber, A. P., & Kruger, J. (2020). Work-life balance and employee well-being: A meta-analysis. *Journal of Business and Psychology*, 35(2), 189-207.

Greenhaus, J. H., & Powell, G. N. (2018). Work-life balance: A review and research agenda. *Journal of Management*, 44(1), 171-202.

Porter, C. M., Woo, S. E., Allen, D. G., & Keith, M. G. (2019). How do instrumental and expressive network positions relate to turnover? A meta-analytic investigation. *Journal of Applied Psychology*, *104*(4), 511.

Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2019). *Multivariate data analysis* (8th ed.). Cengage Learning.

Hansen, T., & Andersen, J. H. (2020). The relationship between work-life balance initiatives and employee retention: Evidence from Denmark. *Employee Relations*, 42(1), 70-85.

Heneman, R. L., & Schwab, D. P. (2019). *Strategic reward management: Design, implementation, and evaluation.* Routledge

Herzberg, F. (1966). *Work and the nature of man*. World Publishing Company.

Hom, P. W., Mitchell, T. R., Lee, T. W., & Griffeth, R. W. (2020). Voluntary employee turnover: A dynamic perspective. *Journal of Management*, 46(2), 315-349.

Huang, K., & Wang, K.Y. (2019). A Study on the Correlation between Working Pressure and Job Satisfaction from the Viewpoint of Work Exhaustion. Revista de Cercetare si Interventie Sociala.

Human Resource Development Corporation. (2022). *HRD Corp Annual Report 2021*. https://hrdcorp.gov.my/wpcontent/uploads/2022/08/HRDCorp_AnnualReport_2021.pdf

Jin, M., & Yu, S. (2020). The effects of work–life balance on job satisfaction and voluntary turnover: A moderated mediation model. *Asia Pacific Journal of Management,* 37(4), 1069-1092.

Johnson, J., & Johnson, K. (2020). The impact of a culture of collaboration, teamwork, and employee well-being on turnover rates in healthcare organizations*. Journal of Healthcare Management*, 65(2), 125-138.

Jones, J. R. (2021). Career advancement in the 21st century: A new paradigm. *Journal of Business and Management*, 27(1), 65-78.

Kadir, M. S. bin A., Abdullah, M. S. bin, & Aziz, A. binti. (2022). Decisive Factors Influencing Employee Turnover among Staff in Financial Institutions in Klang Valley Malaysia. *International Journal of Academic Research in Business and Social Sciences*, 12(9), 245 – 257.

Kataria, A., & Garg, P. (2019). Employee value proposition: A systematic review and meta-analysis. *International Journal of Productivity and Performance Management*, 68(2), 348-378.

Kaur, K., & Kaur, M. (2019). Role of employee engagement in the relationship between job satisfaction and turnover intentions. *Journal of Advances in Management Research*, 16(4), 432-447.

Khalid, K., & Nawab, S. (2018). *Employee Participation and Employee Retention in View of Compensation.* SAGE Open, 8(4), 2158244018810067.

Khan, S. A. (2022). The impact of social media on career advancement. *Journal of Business and Management,* 28(1), 79-90.

Kim, T. Y., & Leung, K. (2019). Perceived organizational pay fairness and employee behaviour: Mediating role of organizational commitment. *Journal of Organizational Behaviour*, 40(6), 747-763.

Koigi, N. N., & Waiganjo, E. W. (2015). Influence of Human Resource Management Practices on Employee Retention in Kenya Health Institutions: A Case Study of Nyeri County Referral Hospital. *Journal of Human Resource Management*, 3(5), 28-39.

Kossek, E. E., Ruderman, M. N., & Braddy, P. W. (2019). Work-life boundary management profiles: A person-centered approach. *Journal of Applied Psychology*, 104(1), 127-145.

KPMG. (2020). *Future of Finance: Leading the Way in a New Era*. https://home.kpmg/content/dam/kpmg/xx/pdf/2020/12/future-of-finance-2020-report.pdf

Kumar, N., & Ahmed, J. U. (2020). Impact of job satisfaction and organisational commitment on employee retention: A study of Indian information technology professionals. *Global Business Review*, 21(1), 242-254.

Kuular, E. (2020). Financial system of Malaysia. *SSRN Electronic Journal*. https://doi.org/10.2139/ssrn.3757068

Lam, C. L., Law, S. F., Loo, Y. J., Ng, W. Y., & Ooi, S. L. (2015). *A study on factors affecting employee retention in nursing industry at Klang Valley.* Final Year Project, University Tunku Abdul Rahman.

Lockwood, N. R. (2018). *Retention and motivation strategies: The role of work-life balance*. SHRM Research Report.

Massingham, P. (2018). Measuring the impact of knowledge loss: a longitudinal study. *Journal of Knowledge Management*. 22(4), 721-758.

Milkovich, G. T., Newman, J. M., & Gerhart, B. (2021). *Compensation* (13th ed.). McGraw-Hill Education.

Mwangi, V. W., & Nzulwa, J. (2019). Influence of internal organisational factors on employee retention: A case of Mount Kenya University, Kenya: Semantic scholar. *Strategic Journal of Business & Change Management*, 6 (2), 2286 – 2304.

Nurdiyansyah, W., & Asih, Y. (2022). Analysis Of Factors That Determine Burnout in BCA Finance Employees. *Basic and Applied Computational and Advanced Research Journal*. *2*(1), 16-19.

Okwor, T., Ndu, A. C., Okeke, T. A., Aguwa, E., Arinze-Onyia, S. U., Chinawa, A., Ogugua, I., & Obionu. (2020). What are the Predictors of Burn out in Nigerian Bankers? A Case Study of Bankers in Enugu, Nigeria. *West African journal of medicine*, 375, 515-520.

Peters, A., Johnson, B., & Smith, K. (2017). The impact of positive organisational culture on job satisfaction and turnover rates. *Journal of Organizational Behavior*, 35(3), 401-418.

PwC. (2021). *Finance and the Future of Work*. https://www.pwc.com/us/en/library/human-capital/future-of-work/finance-and-the-future-of-work.html

Qi, Y., & Sun, H. (2018). Work-life balance practices and employee retention in China: The moderating role of perceived organisational support. *The International Journal of Human Resource Management*, 29(8), 1361-1384.

Ratnasari, D., Lestari, E. W., & Utami, H. (2022). The interpretation of Pearson correlation coefficient (r) value in chemistry education research. *Kimika,* 33(2), 121-134.

Schein, E. H. (2017). *Organisational culture and leadership* (5th ed.). John Wiley & Sons.

Shen, J., Ji, X., & Zhao, Y. (2021). The impact of employee turnover on organisational performance: A meta-analysis. *Journal of Business Research*, 12(3), 1-12.

Smith, J., & Davis, L. (2018). The impact of positive organisational culture on employee commitment and turnover intentions. *Journal of Applied Psychology*, 50(4), 567-582.

Sorenson, A., & Sorenson, B. (2019). The impact of organisational culture on employee retention. *Journal of Organisational Behavior*, 45(3), 321-335.

Wang, D. H., Tsai, M. T., & Cheng, C. H. (2022). The impact of strategic human resource management on employee retention and performance: Evidence from Taiwan. *Journal of Business Research*, 13(7), 631-640.

Wang, S., Liu, Y., & Zhang, H. (2021). The impact of positive and negative shocks on employee turnover intention: A moderated mediation model. *Human Resource Management*, 60(3), 699-721.

Yang, C. C., & Hung, J. W. (2020). The effect of compensation package on employee retention: The mediating role of job satisfaction. *Journal of Human Resources in Hospitality & Tourism*, 19(4), 383-399.

Yang, C., Chen, Y., & Chen, A. (2021). The effect of on-the-job shocks on employees' intention to stay: an investigation of organizational embeddedness. *Chinese Management Studies*, *15*(5), 1032-1056.

Zhang, X., & Zhu, J. (2018). Study on the impact of compensation and benefits on employee retention. *Advances in Economics, Business and Management Research,* 64, 326-330.