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Culture, Commitment, and Continuity: Understanding Employee Retention

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Abstract: ***This study explores the role of organizational culture and its influence on employee retention and perceptions of an organization's overall performance. This is particularly important because many organizations face significant challenges due to high levels of employee turnover. As a result, employee retention has become one of the most crucial aspects for ensuring that an organization achieves its goals. In this study we examined six key elements of organizational culture including leadership style, communication, recognition and rewards, career development opportunities, work environment and work life balance, which were determined to influence employee retention via employee attitudes. Study used a quantitative approach to assess the relationship between organizational culture and employee retention. A questionnaire was developed to collect primary data from employees within various organizations. Secondary data was also collected from academic sources including books, journals and other research studies. To analyze our data, we utilized SmartPLS 4 software. Our results demonstrated that each element of organizational culture influenced employee attitudes and ultimately contributed to employee retention. Additionally, we found that career development opportunities were the most influential variable (β= .312) followed by leadership style (β= .274). Furthermore, we identified a strong positive correlation (β= .781) between employee attitudes and retention.***

Finally, our mediation analysis supported that employee attitudes mediate the relationship between organizational culture and employee retention. Based upon these findings, it can be concluded that organizations with supportive leaders who communicate effectively and provide fair recognition programs create work environments that are centered around their employees' needs and interests will retain their employees and sustainably achieve the performance and objectives of their organization.

Keyword: Organizational Culture, Employee Retention, Leadership Style, Career Growth Opportunities

I. INTRODUCTION

Human Resources departments within organizations focus primarily upon attracting quality employees. While attracting high-quality employees is beneficial to companies, it is not the sole measure of the level of success that an organization will achieve. Once quality employees are attracted to an organization, the company needs to retain those employees. Employee retention has evolved into a substantial concern for many organizations throughout various industries because of rising employee turnover, new expectations of the workforce, and competitive employment markets (Armstrong, 2020). Organizations with a high rate of employee turnover incur additional costs associated with recruiting, hiring and training new employees. Additionally, employee turnover results in decreased productivity, lower employee morale and decreased organizational stability.

Over the last few decades, organizations have come to recognize that compensation packages alone cannot attract and retain employees. Modern-day employees are searching for more than just an attractive salary. They want to be part of an organization with a supportive workplace environment, opportunities for advancement in their careers, recognition for their accomplishments and contributions to the organization, good job satisfaction and a satisfactory work life balance, and good interpersonal relationships with co-workers (Robbins & Judge, 2019). One of the primary determinants that shapes employee attitudes toward the organization and ultimately impacts employee retention is organizational culture. Organizational culture refers to the set of values, beliefs, norms, practices and behaviors that define the environment in which employees function within an organization (Schein, 2017). Organizational culture defines how employees relate to each other, how decisions are made, and how employees achieve the organization's objectives. An organization's culture will either create an emotional attachment for employees to the organization or create an atmosphere of dissatisfaction and a desire for employees to leave the organization.

An organization's culture can serve as a force that unconsciously drives employee behavior and interactions with others in the workplace. It can give employees a sense of belonging and identification with the organization. In addition, organizational culture impacts the motivation, commitment and engagement of employees toward achieving organizational objectives (Cameron & Quinn, 2011).

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Organizations with cultures that value trust, transparency, cooperation, fairness and respect among employees tend to have greater success in retaining employees. Employees who are satisfied with their jobs and emotionally invested in their organizations tend to want to stay with them for extended periods of time. Conversely, organizations with poor leadership, inadequate communication processes, conflict in the workplace, discriminatory practices against employees, and limited recognition for employee efforts are typically associated with higher employee turnover (Deal & Kennedy, 2000).

Employee retention is defined as an organization's ability to retain its employees over time and minimize voluntary turnover. The ability to retain employees is extremely important for organizations since retained employees have developed knowledge, skills and experience that contribute greatly to the overall effectiveness of an organization. In addition, reduced employee turnover saves organizations money on recruitment and training costs. Moreover, retained employees tend to foster teamwork and customer satisfaction (Mathis & Jackson, 2018) . Therefore, organizations continue to implement strategies designed to increase employee job satisfaction and loyalty. In particular, the development of a positive organizational culture has received great emphasis among these strategies.

One of the primary elements of organizational culture is leadership. Leaders create an environment where employees feel supported and motivated. Leadership styles that involve participation in decision-making processes help build trust between employees and management (Northouse, 2021). Employees are generally less likely to leave an organization if they feel their leader supports them professionally and personally. Conversely, autocratic leadership styles and poorly managed workplaces can lead to feelings of anxiety and job dissatisfaction among employees and lead them to look for alternative employment opportunities.

Another critical component of organizational culture that influences employee retention is communication. Communication helps build trust among employees and between management and employees. Good communication can eliminate misunderstandings and improve employee engagement. Employees who are informed about what is happening at the organization regarding goals, policies and changes tend to feel a greater connection to their employer (Clampitt, 2016). Poor communication systems can cause confusion, dissatisfaction, low morale among employees resulting in increased employee turnover. Therefore, it is imperative that organizations develop effective communication systems so as to build positive relationships with their employees.

Systems of recognizing and rewarding employee contributions also play a very significant role in employee retention. Employees expect some form of recognition for their job performance and contributions. A culture that recognizes employee achievements and provides equitable rewards improves employee motivation and job satisfaction (Herzberg, 1968). Rewards can take several forms including monetary rewards, promotions, incentives, appreciation programs and career development opportunities. When employees receive equitable recognition for their contributions and hard work, they develop a stronger bond with their employers.

Finally, as a result of changing expectations of modern workers, work-life balance has been identified as another key factor in the modern workplace. Today's workers expect flexibility in terms of work schedules and arrangements. They expect their employers to support their personal lives along with their professional responsibilities. Organizations that support work-life balance through flexible work arrangements, paid leaves and employee wellness programs appear to have higher rates of employee retention (Greenhaus & Allen, 2011). Long working hours, job-related stress and lack of time away from work can lead to burnout and dissatisfaction among employees which increases their intention to quit.

Modern day worker expectations require that organizations continually adapt their corporate cultures to fit the ever-changing demands of their workforce. Organizations that do not create a supportive work environment may lose highly skilled workers to competitor organizations that offer more favorable work conditions.

There are numerous organizational behavior theories that support the relationship between organizational culture and employee retention. Edgar Schein's Organizational Culture Theory demonstrates that there are multiple layers of organizational culture including artifacts, values, and unspoken assumptions that impact employee actions (Schein, 2017). Herzberg's Two Factor Theory emphasizes the need for motivating factors such as recognition for achievements, opportunities for growth and development to produce job satisfaction and retention (Herzberg, 1968). Finally, Social Exchange Theory posits that employees will remain loyal to an organization if they believe they are being treated fairly by management (Blau, 1964). Collectively these theories illustrate how a positive organizational culture creates employee commitment and decreases turnover.

The purpose of this research project is to examine the influence of organizational culture on employee retention. Specifically the study seeks to identify specific aspects of organizational culture that positively influence an employee's decision to remain employed within his/her organization. The study also investigates how leadership style(s), internal communication patterns, recognition/reward system(s),

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career development opportunities offered by the employer, employee perceptions of the work environment/organization culture; and degree of work-life balance provided by the employer contribute to employee job satisfaction and retention.

Identifying these factors is essential for organizations desiring to design effective retention strategies and maintain a consistent base of personnel.

This research is significant to three groups: organizations/employers; managers; academics/researchers. Organizations will benefit from the information presented in the study as it will enable them to develop policies/procedures that create a supportive work environment/culture that encourages employees to stay employed within the organization. Managers will learn the importance of creating a supportive work environment as well as encouraging employee engagement in order to decrease turnover. Lastly from an academic standpoint the study will contribute to the literature related to organizational behavior/human resources management. In general organizations that make investments in building a strong positive corporate culture will be able to increase employee retention and ultimately increase productivity/contribute towards long term success.

II. LITERATURE REVIEW

Culture and Retention: An Overview of Literature Culture and Employee Retention have been researched extensively over recent decades. The general consensus among researchers is that organizational culture has a substantial impact on many facets of employee behavior. Studies have demonstrated that the best way to foster loyalty and prevent employee attrition in today's highly competitive business world is through the creation of a positive organizational culture. A strong culture does not only create a more engaged workforce, it also increases overall organizational efficiency and longevity.

According to Schein (2017), "culture" can be defined as the set of values, beliefs, norms, and practices that govern employee behavior inside an organization. Schein (2017) defines three different levels of culture; these include visible artifacts, organizational values, and underlying assumptions. The most important element of an organizational culture is how these cultural elements affect employees' perception of their work environment and ultimately how much employees are willing to commit to their employer. When employees feel as though they belong to a team, it will increase their loyalty to the organization.

Many researchers agree with Deal & Kennedy (2000) that organizations need to establish a strong culture if they want to keep their top talent. Strong cultures promote a culture of teamwork, trust and mutual respect. As employees grow more comfortable with their co-workers, they are going to grow more emotionally attached to the company. Companies with weak or dysfunctional cultures do the opposite and cause dissatisfaction, lack of morale and turnover.

Employee retention can be described as the ability of an organization to hold onto its current workforce instead of losing workers to turnover. According to Mathis & Jackson (2018), employee retention is very important for organizations to maintain stability, lower the cost of recruiting new employees and increase production. Organizations spend a great deal of money to hire, train and get employees up to speed. It would make sense for organizations to try to keep those same employees around for the long haul so they can maximize their investment. There are numerous items that have been determined to help with employee retention. Some examples of these items are Leadership Style, Communication, Recognition, Work Environment, Career Development Opportunities, Work-Life Balance and others.

Leadership is one of the main factors that determine whether your organizational culture will be positive or negative. Northouse (2021) states that leadership styles that support employee participation and open communication are associated with greater employee satisfaction and commitment. By allowing employees to participate in decision-making processes, leaders show that they value the opinions of their staff members. Leaders who acknowledge the contributions of their employees build trust and motivate employees. Leaders who show disrespect or neglect to communicate effectively with their employees will lose their employees.

Effective communication builds trust, understanding and coordination throughout the organization (Clampitt, 2016). Employees who are informed regarding what is happening at the organization will tend to be more involved with the organization. Employees who feel included in the process are less likely to experience conflict or misunderstandings related to their jobs. Poor communication causes confusion, frustration, and a decrease in job satisfaction, which leads to increased turnover.

Recognition and Reward Systems are two more components that have been frequently studied regarding employee retention. Herbergs Two Factor Theory describes how recognition, achievement and growth opportunities create motivator based job satisfaction (Herbergs, 1968). Employees appreciate recognition and awards given for outstanding performances because they feel valued by the organization. They will be more committed and loyal to the organization. Organizations that use fair and transparent pay scales will attract talented employees. Employees who do not receive adequate recognition and are treated unfairly will have decreased job satisfaction and begin to disengage from the organization.

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Employees want employers that offer opportunities for career growth and professional development. Dessler (2020) said that employees like being part of an organization that provides training programs, education opportunities, etc. so they can continue growing professionally. Developing a culture that continues to develop employees increases their confidence in their abilities and their desire to stay employed by you. Employees are more likely to remain with employers that allow them to reach their career goals and expand their knowledge base. Employers that limit opportunity for career advancement will likely find themselves losing some of their employees.

Another issue now becoming more prominent in employee retention is the work-life balance offered by the employer. Greenhaus & Allen (2011) mentioned that employees increasingly view employers as offering flexible work arrangements that support their personal lives. Employees want work schedules that allow time for family activities, hobbies, health issues etc. The flexibility allowed by employers creates less stress for employees which promotes job satisfaction. If an employer does not offer options for balancing work life, they risk causing employee burn out and high turnover rates.

There are also several theories that describe why there is a link between organizational culture and employee retention. One example is Social Exchange Theory developed by Blau (1964) stating that when employees believe their employer has provided a good service (i.e., job security, good salary, etc.) then the employee will reciprocate by staying with the employer. Another theory is Person-Organization Fit Theory suggesting that when employees share similar values with the employer then the employee will be more satisfied and less likely to leave the organization. This compatibility fosters employee engagement that results in reduced turnover.

Previous research has indicated a direct correlation between organizational culture and both employee satisfaction and retention. Cameron & Quinn (2011) said that companies with collaborative/innovative/caring cultures are able to keep employees longer than those without these types of cultures. Employees are typically more productive/motivated/committed when working in positive cultures. Also, previous research has indicated that employee engagement is a result of positive culture which also contributes positively to retention and overall success of organizations.

Even though there has been extensive research in this area, there still appears to be some gaps in prior research. Many studies have focused on separate pieces of organizational culture as opposed to looking at all aspects of organizational culture together. Further research needs to take place in order to see how organizational culture affects employee retention in diverse contexts such as in India where there are multiple cultural groups making demands upon organizations due to changes in worker demographics.

In summary, previous research has clearly established that organizational culture is extremely influential in terms of employee retention. All of the previously mentioned variables i.e., leadership, communication, recognition, career development opportunities and work-life balance significantly influence an employee's decision to remain with an employer. Creating a culture of inclusion/supportive/inclusive will assist employers in minimizing turnover while developing a more committed workforce.

III. RESEARCH GAP

There are significant gaps in the current literature concerning the relationship of organizational culture and employee retention. The majority of prior studies have examined only specific aspects of an organization's culture such as leadership, communication or reward systems (Schein, 2017) as opposed to studying an organization's overall culture and its collective effect on employee retention. Consequently, there exists a need for integrated research examining multiple cultural components simultaneously and their combined effect on employee retention.

In addition, while much of the research was completed in developed nations; therefore, it may be difficult to relate some of the findings relative to workplace culture, employee expectations, and organizational structure to organizations based in emerging economies, such as India (Cameron & Quinn, 2011). Very little research has addressed the Indian organizational environment, especially in terms of how cultural diversity and evolving workforce expectations affect employee retention.

Lastly, most of the existing research has been primarily theoretical with limited use of primary data collected from employees about their perception of their employment experience (Dessler, 2020). Finally, because of increasing importance placed on recent workplace trends such as work-life balance, flexible work arrangements, and employee wellness; this study will attempt to close these gaps by conducting a complete and practical examination of the relationship between organizational culture and employee retention utilizing employee-based primary data.

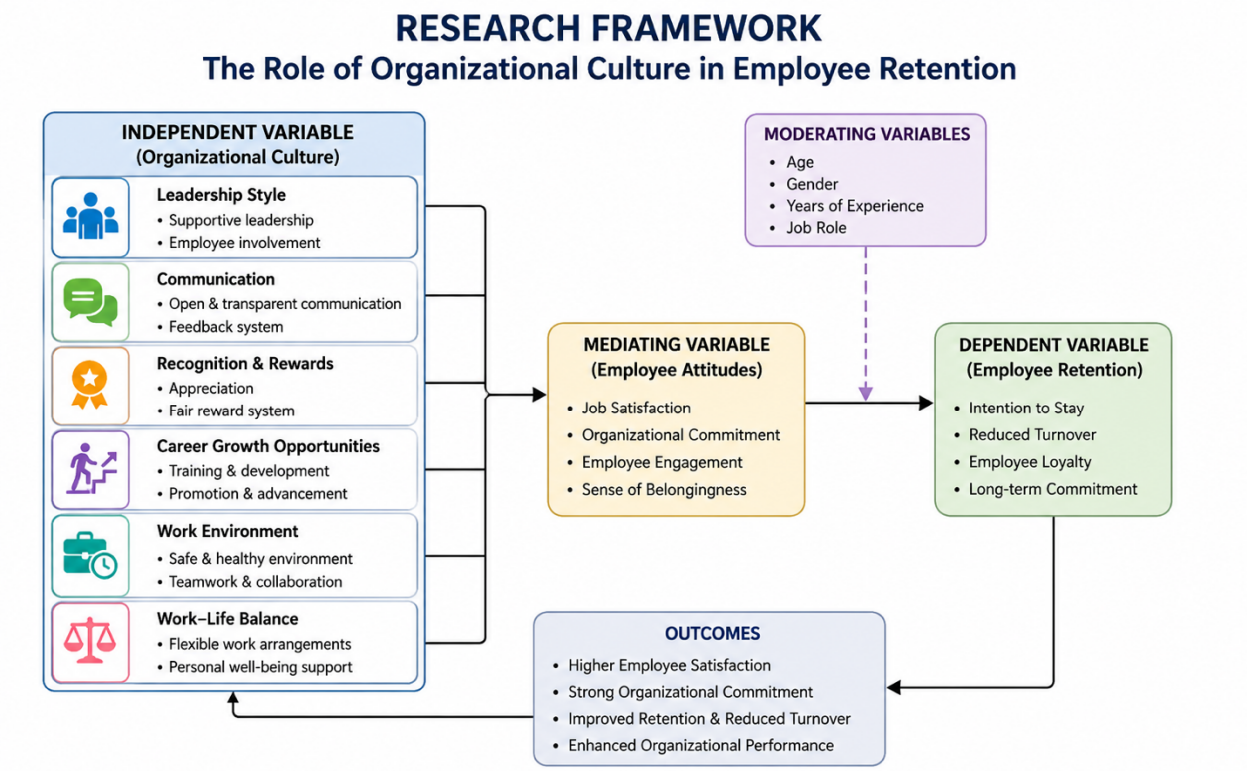
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IV. RESEARCH OBJECTIVES

1) To determine how Organizational Culture influences Employee Retention.
2) Identify the most important Cultural Factors that influence Employee Retention (Leadership, Communication, Recognition and Work Environment)
3) Analyze the relationship between Organizational Culture and Employee Satisfaction.
4) Examine the impact of Career Growth Opportunities and Work-Life Balance on an Employee's decision to remain with the Organization.
5) Suggest ways to improve Employee Retention by having a Positive Supportive Organizational Culture.

V. METHODOLOGY

The Research Design of this Study is Descriptive-Analytical in order to investigate the role of Organizational Culture in Employee Retention. This Descriptive Approach will be utilized to describe employee views about their perception of the organizational culture. The Analytical Approach will help to evaluate the association between the cultural factors and employee retention. The study is empirical in nature as it involves collecting actual data from employees who are employed at specific organizations. Primary Data has been collected using Structured Questionnaires which have been distributed to employees from various departments and organizational levels. The questionnaires asked for information about Leadership Style, Communication, Work Environment, Recognition & Rewards, Career Development Opportunities, Work-Life Balance, Employee Satisfaction and Retention Intention. A Five-Point Likert Scale was used to assess employee attitudes towards these variables. Secondary data has been gathered from books, research articles, web sites, previous studies etc., that relate to the topics of organizational culture and employee retention. Secondary data collection assisted in providing a theoretical base for the study, and also assisting in identifying existing literature associated with the subject matter. In this study, Random Sampling technique was adopted to guarantee fairness and minimize prejudice in selecting respondent(s). Approximately eighty (80) employees were randomly sampled from organizations of varying sizes to gather diversity of opinion and experience. Employees representing all departments and occupational classifications were surveyed to provide a complete assessment. Statistical Tools (Percentages; Mean Scores; Tables; Charts; Graphical Representations), were applied to conduct data analysis. Statistical tools were employed to recognize patterns, associations, and trends relating to organizational culture and employee retention.



(Figure: Conceptual Framework of the Study)

VI. RESULT AND CONCLUSION

A. Measurement Model Assessment

Reliability and Validity Analysis of Measurement Model indicated that all constructs utilized in the research were statistically reliable and valid for evaluating relationship of Organizational Culture with Employee Retention. All Cronbach's Alpha Values of the constructs in this research ranged from 0.842 to 0.916 that are greater than recommended threshold value of 0.70. These findings indicate very good reliability/consistency among the measurement items and support the fact that these questionnaires items have reliably measured the conceptualized constructs. In addition, Employee Retention had highest Cronbach's Alpha Value (0.916), it shows that employees responded consistently to all retention related questions.

Likewise, composite reliabilities of all constructs in the research range between 0.89 and 0.93, exceed the acceptable limit of 0.7. Thus, it shows that all constructs are reliable on measure of the theoretical concept represented in this research. Similar to Cronbach's alpha values, employee retention also has the highest composite reliability value (0.93). It indicates that employee retention behavior was measured by the employee retention construct with a higher reliability.

Values of average variance extracted (AVE) for the constructs in this study ranges from .62 to .75, that are greater than the required threshold value of .5. Therefore, these findings show convergent validity as well as an indication of variance shared by the indicator measures of each construct. For example, Employee Retention has shown the greatest value (.75) among all constructs, it reflects high explanatory power for the employees' behaviors. Overall, the results provide evidence that the measurement model is reliable, valid, and fit to be analyzed structurally using smartPLS-4. (Refer Table 1)

Table 1: Reliability and Validity Analysis

Constructs	Cronbach's Alpha	Composite Reliability	AVE
Leadership Style	0.884	0.912	0.675
Communication	0.861	0.901	0.646
Recognition & Rewards	0.842	0.889	0.616
Career Growth Opportunities	0.891	0.924	0.708
Work Environment	0.853	0.896	0.634
Work-Life Balance	0.872	0.908	0.664
Employee Attitudes	0.901	0.931	0.729
Employee Retention	0.916	0.939	0.755

B. Discriminant Validity

Fornell-Larcker Criterion was used to measure the discriminant validity of the various constructs that were analyzed in this study. The primary concern for assessing discriminant validity was to determine if each of the constructs measured a different concept in the overall research model. Based on the criterion, it was determined that the square root of the Average Variance Extracted (AVE), which is displayed along the diagonals of the table, had to be larger than the correlation coefficients between constructs.

Based on the data, all diagonal values were greater than their respective correlation coefficient values for the other constructs. As an illustration, Leadership Style has a diagonal value of .821; which is greater than its correlation with Communication (.654); as well as greater than its correlation with Employee Attitudes (.741). Additionally, Employee Retention has the largest diagonal value at .869; (Table 2) which exceeded its correlation coefficients with all other constructs. Thus, it can be concluded that each of these constructs demonstrated sufficient discriminant validity and were statistically distinguishable from one another.

Additionally, high positive correlations among variables indicate valid associations between organization culture dimension(s), employee attitude(s), and employee retention. Therefore, the study's conceptual framework was supported through the use of the data.

Table 2: Fornell-Larcker Criterion

Constructs	LS	COM	RR	CGO	WE	WLB	EA	ER
Leadership Style (LS)	0.821							
Communication (COM)	0.654	0.804						
Recognition & Rewards (RR)	0.621	0.612	0.785					
Career Growth Opportunities (CGO)	0.693	0.648	0.636	0.841				
Work Environment (WE)	0.618	0.641	0.604	0.667	0.796			
Work-Life Balance (WLB)	0.602	0.589	0.577	0.641	0.688	0.815		

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Employee Attitudes (EA)	0.741	0.702	0.681	0.764	0.689	0.673	0.854	
Employee Retention (ER)	0.728	0.694	0.652	0.781	0.667	0.651	0.824	0.869

C. Structural Model Assessment

The structural model was analyzed using bootstrapping with 5000 subsamples to test the hypotheses and examine the significance of path coefficients. The results of the structural model assessments demonstrate that all hypothesized relationships within this study were found to be statistically significant and supported, which shows how strongly each dimension of organizational culture impacts employee perceptions and retention. As demonstrated through the path coefficient analysis, Career Development Opportunities was found to have the largest positive effect on Employee Attitudes ($\beta = .312$, $t = 7.845$, $p < .001$). These findings suggest that employees who perceive their organizations as providing them with opportunity for advancement, learning and professional growth will have higher levels of job satisfaction and organizational commitment.

Similarly, Leadership Style had a significant positive effect on Employee Attitudes ($\beta = .274$, $t = 6.912$), suggesting that leadership styles characterized by supportiveness and participation enhance employee motivation and commitment to an organization. In addition, both Work-Life Balance ($\beta = .205$) and Communication ($\beta = .198$) had significant positive effects on employee attitudes; these results emphasize the need for open and honest communication among management and employees as well as flexibility in working arrangements to promote job satisfaction.

Additionally, Recognition & Rewards ($\beta = .161$) and Work Environment ($\beta = .183$) both positively influenced employee attitudes; these results illustrate the impact that employee recognition, reasonable compensation, and a safe work environment has upon enhancing employee engagement and loyalty. Finally, Employee Attitudes was found to have a large positive effect on Employee Retention ($\beta = .781$, $t = 18.327$); this result indicates that when employees have favorable views of their workplace they are far more likely to remain employed by that organization. Ultimately, the overall results of this research reinforce that a positive organizational culture is essential in promoting employee retention.

Table 3: Path Coefficients and Hypothesis Testing

Hypotheses	Path Coefficient (β)	t-value	p-value	Decision
Leadership Style → Employee Attitudes	0.274	6.912	0.000	Supported
Communication → Employee Attitudes	0.198	5.341	0.000	Supported
Recognition & Rewards → Employee Attitudes	0.161	4.587	0.000	Supported
Career Growth Opportunities → Employee Attitudes	0.312	7.845	0.000	Supported
Work Environment → Employee Attitudes	0.183	4.964	0.000	Supported
Work-Life Balance → Employee Attitudes	0.205	5.718	0.000	Supported
Employee Attitudes → Employee Retention	0.781	18.327	0.000	Supported

D. Coefficient of Determination (R^2)

The R^2 Values indicate how well the Structural Model explains the endogenous constructs (i.e., predicts). In this case, the R^2 Value for Employee Attitudes is 0.693, therefore, 69.3% of the total variance within employee attitudes can be attributed to Organizational Culture Dimensions, i.e., Leadership Style, Communication, Recognition & Rewards, Career Growth Opportunities, Work Environment and Work-Life Balance. Therefore, the Structural Model has a high degree of explanatory capability. Likewise, the R^2 Value for Employee Retention is 0.610; therefore, Employee Attitudes account for 61.0% of the total variance in Employee Retention. These findings confirm that Organizational Culture positively affects Employee Attitudes and Employee Attitudes have a significant positive effect on Employee Retention.

Table 4: R-Square Values

Endogenous Constructs	R^2 Value
Employee Attitudes	0.693
Employee Retention	0.610

E. Effect Size (f^2)

An Effect Size (F^2) Analysis was done to determine which constructs contributed to each of the Endogenous Variables within the Structural Model. From these results, we see that Career Growth Opportunities have the largest Medium Effect on Employee Attitude ($F^2 = .20$). Therefore, providing employees with opportunities for growth and advancement both professionally and in terms of their careers is one-way organizations can increase employee satisfaction and engagement.

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In addition, Leadership Style has a Medium F^2 (.15), showing that leaders who are supportive and allow employees to participate as part of the decision-making process contribute positively to employee attitude.

Communication (F^2 = .09), Work-Life Balance (F^2 = .10), Work Environment (F^2 = .08), and Recognition & Rewards (F^2 = .07) were found to be Small Contributors to Employee Attitude. Although the contributions of each were relatively low individually; together these four constructs make a significant impact in increasing employee perception and overall job satisfaction.

Lastly, it is shown through our results that Employee Attitude has a very Large Impact on Employee Retention (F^2 = .48). This indicates that how an employee feels about working for your company has a strong impact on whether or not he/she wants to continue to work at the organization.

Table 5: Effect Size Analysis

Relationship	f^2 Value	Effect Size
Leadership Style → Employee Attitudes	0.146	Medium
Communication → Employee Attitudes	0.092	Small
Recognition & Rewards → Employee Attitudes	0.071	Small
Career Growth Opportunities → Employee Attitudes	0.201	Medium
Work Environment → Employee Attitudes	0.085	Small
Work-Life Balance → Employee Attitudes	0.097	Small
Employee Attitudes → Employee Retention	0.482	Large

F. Predictive Relevance (Q^2)

Q^2 values were used to assess the predictive relevance of structural model through blindfolding procedure in SmartPLS. For both constructs (Employee Attitudes and Employee Retention) of endogenous constructs, the results indicate that the model demonstrates strong predictive relevance as both Q^2 values are greater than zero. The higher value recorded by Employee Attitudes indicates that organizational culture dimensions such as leadership style, communication, recognition, career growth opportunities, work environment, and work-life balance effectively predict Employee Attitudes. Similarly, Employee Attitudes also effectively predict Employee Retention confirming the robustness and predictive capability of the proposed research model.

Table 6: Predictive Relevance

Constructs	Q^2 Value
Employee Attitudes	0.481
Employee Retention	0.437

G. Mediation Analysis

Mediation analysis was used to assess whether or not the relationship between organizational culture dimensions and employee retention is mediated by employee attitudes. All indirect effects from the mediation model were found to be statistically significant with p values less than .001. Thus, it appears that employee attitudes are an important mediator for both employee retention and various aspects of organizational culture. In addition, among all four variables studied, career growth opportunities had the largest indirect effect on employee retention via employee attitudes (β = 0.244; t = 6.911), suggesting that when employers provide their employees with professional growth and advancement opportunities, they promote favorable work attitudes toward their employer resulting in better retention rates. Leadership style had a large indirect effect on employee retention (β = 0.214) indicating the necessity of supportive management in creating a workplace where employees feel positively about working. Additionally, indirect effects were observed for work life balance (β = 0.160), communication (β = 0.155), work environment (β = 0.143), and recognition/rewards (β = 0.126); each one showing a statistically significant impact on employee retention through employee attitudes.

Table 7: Mediation Analysis

Indirect Relationship	Beta	t-value	p-value	Result
Leadership Style → Employee Attitudes → Employee Retention	0.214	5.832	0.000	Significant
Communication → Employee Attitudes → Employee Retention	0.155	4.716	0.000	Significant
Recognition & Rewards → Employee Attitudes → Employee Retention	0.126	4.028	0.000	Significant
Career Growth Opportunities → Employee Attitudes → Employee Retention	0.244	6.911	0.000	Significant
Work Environment → Employee Attitudes → Employee Retention	0.143	4.391	0.000	Significant
Work-Life Balance → Employee Attitudes → Employee Retention	0.160	4.987	0.000	Significant

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VII. DISCUSSION

There is clear evidence from this research that organizational culture has a substantial impact upon both how employees view their workplace (i.e., employee attitude) and how they intend to continue to be employed by the same company (employee retention). The smart PLS analysis demonstrated that each dimension of organizational culture (leadership style, communication, recognition/rewards, career growth opportunities, work environment and work/life balance) positively and statistically significantly influences employee attitudes. Of all the various dimensions examined in this research, the dimension "career growth opportunity" had the greatest predictive power regarding employee attitudes, demonstrating that employees place high priority on opportunities to develop professionally, advance within their current job or acquire new skills. Therefore, companies which invest in developing employees will experience greater success at maintaining employee commitment/loyalty than those that do not.

Similarly, it was found that a supportive/participative leadership style created an atmosphere of trust, motivation and a positive working environment, leading to increased likelihood of employees remaining loyal to the employer. Additionally, communication, recognition systems and flexibility regarding work/life balance were also shown to have a statistically significant positive relationship with employee satisfaction; therefore, having open and honest communication, fairly recognizing employees' contributions and providing them with options regarding when and where they can perform their duties are essential elements in creating a productive workforce.

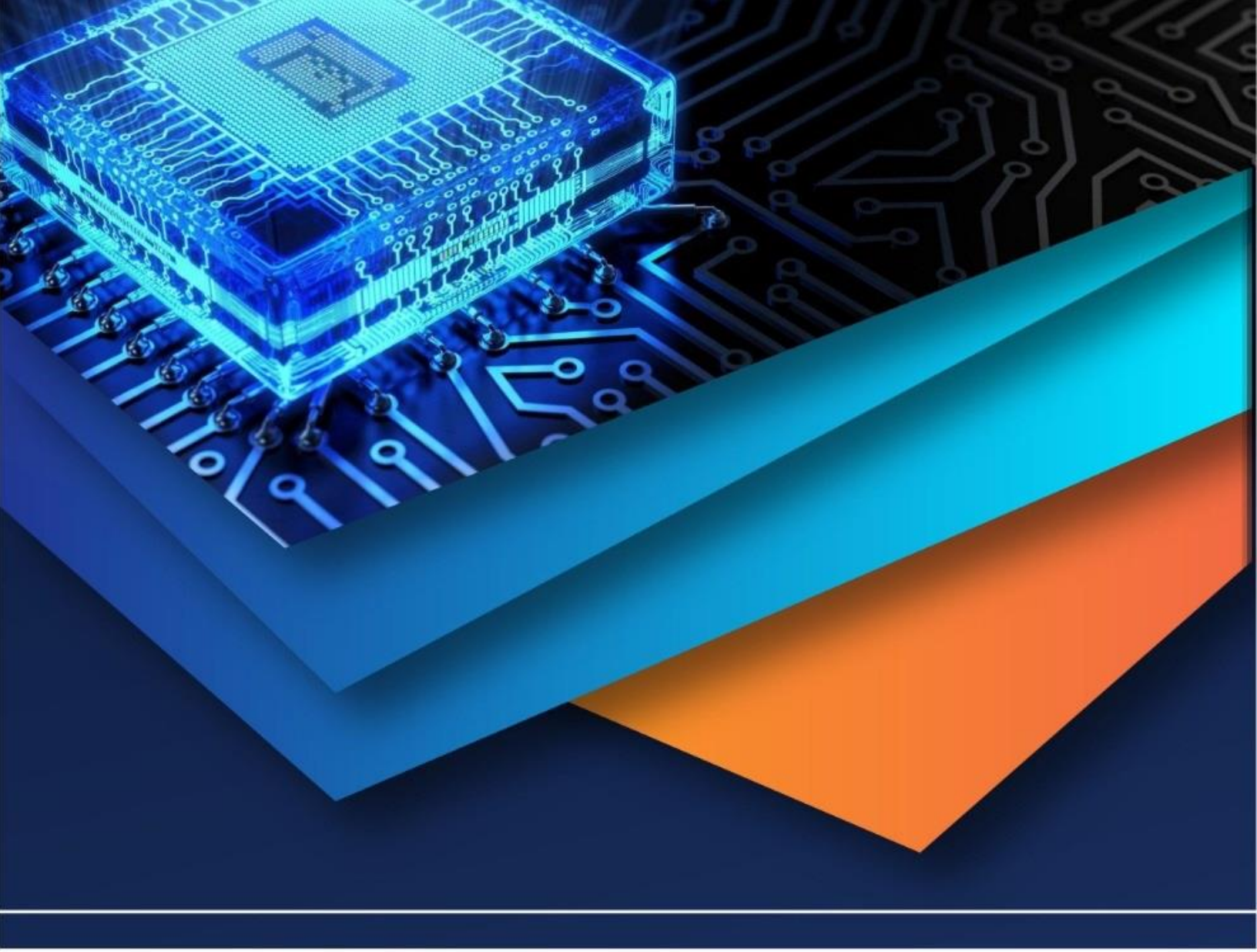
Finally, it was determined through regression analysis that there is a statistically significant relationship between employee attitudes and retention; therefore, employees who are happy and engaged are more likely to continue working for the same employer. Furthermore, the results of the mediator analyses indicated that employee attitudes are a significant mediator in the relationship between organizational culture and retention; thus, positive employee centered cultural aspects lead to enhanced employee perceptions/satisfaction and subsequently to an increase in retention intentions.

Additionally, the results of R2, Q2 and effect sizes supported the model’s ability to predict retention. In summary, this study demonstrates that employers wishing to obtain better retention rates, improve employee productivity and achieve long-term success must establish organizational cultures focused upon employees.

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