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RESEARCH ARTICLE

The determinants of turnover intention among employees in banking industry

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ABSTRACT

The banking sector occupies a crucial role within the global economy, serving as a vital channel for financial transactions that profoundly impact the lives of individuals. Extensive scholarly research has rigorously explored its multifaceted implications, with a predominant focus on turnover intention. Notably, significant academic attention has centered on understanding the dynamics affecting bank employees within this framework. This study specifically investigates how human resources management (HRM) practices implemented by employers within banking organizations influence employee turnover intention. It specifically delves into two pivotal factors, namely training and development, and compensation, within the unique context of Malaysia's banking sector. To gather empirical data, a self-administered questionnaire survey was meticulously conducted, yielding 363 valid responses suitable for rigorous analysis. The reliability and validity of the survey were ensured through comprehensive validation using both SPSS and Smart PLS techniques, which facilitated a nuanced examination of variable relationships. Key findings from the study underscore substantial relationships between training and development, compensation, and turnover intention among banking employees. However, the potential for enriching this domain persists through the integration of additional constructs and expanding research horizons. By shedding light on these relationships, this study contributes novel insights, particularly benefiting the banking sector. It emphasizes the significance of HRM practices in shaping organizational behavior and highlights avenues for future scholarly exploration and practical application in enhancing employee retention strategies.

Keywords: Human resource management (HRM); Training and development; Compensation; Turnover intention

1. Introduction

In today's competitive economic landscape, competition has intensified significantly, marked by the proliferation of companies and products that often exhibit substantial similarities. However, amidst this uniformity, distinct benefits of products persist[35]. Against this backdrop, companies are compelled to provide consumers with superior quality products and services. In the midst of fierce competition, the quality

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of human resources becomes crucial, profoundly influencing a company's prospects for survival[12]. As a result, employees are required to possess enhanced qualifications and shoulder greater responsibilities aligned with the organization's objectives. It is within this context that the effectiveness of human resource management practices becomes pivotal for enhancing individual companies or institutions[57].

The banking sector plays a pivotal role in the economy, serving as a cornerstone of financial stability. Disruptions and instabilities in its operations pose significant threats to the overall financial landscape, potentially leading to profound and lasting macroeconomic consequences[41]. These repercussions may include reduced effectiveness of monetary policy, erosion of price stability and suboptimal resource allocation due to weaknesses in the bank credit system which can hinder the financing of both investment and consumption activities. Implicitly supporting this view, Aghion et al.[1] argue that stability in the banking sector fosters economic stability, a prerequisite for sustained economic growth and development. Consequently, central banks, regulators, and broader macroeconomic policymakers closely monitor and assess the stability of the banking sector. This stability is defined as the state in which the banking system shows resilience to economic shocks while effectively fulfilling its core functions[10].

In today's global landscape, a significant trend emerges with employees leaving their positions in large numbers, driven by shifting work preferences or dissatisfaction with existing work environments, often in pursuit of better career opportunities[17,48]. This phenomenon of workforce turnover poses a substantial challenge both globally and within individual countries where the recruitment and training of replacements incur significant costs for corporations. Consequently, it is crucial for organizations to develop strategies to mitigate turnover intention rates[25,56]. Conversely, workforce turnover has long been a persistent issue in Malaysia's employment sector, spanning several decades[6,33,59]. Notably, voluntary turnover rates have consistently risen over the years, contributing to organizational instability. As Saleh et al.[59] argue, the evolution of the financial sector plays a crucial role in Malaysia's economic advancement.

Human Resource Management (HRM) holds paramount importance, extending beyond national borders within organizational contexts. HRM encompasses a modern, all-encompassing approach to managing and developing an organization's workforce[30]. Often referred to interchangeably as personnel management or talent management, HRM covers a broad spectrum of activities related to the administration of an organization's human capital. It encompasses the organizational function responsible for overseeing various aspects of employee management, including compensation, recruitment and selection, performance appraisal, organizational development, occupational health and safety, employee welfare initiatives, benefits administration, motivational strategies, communication protocols, policy formulation and training programs[4].

Employee turnover presents a persistent challenge for numerous companies, increasing rapidly and assuming paramount importance in organizational discussions. The recent escalation in turnover rates has become a pressing concern for many enterprises, especially within the realm of human resources. Employees constitute the driving force behind an organization's pursuit and achievement of predefined objectives[28]. Due to their crucial role, employees are expected to consistently deliver optimal performance, making them essential to organizational success. High turnover rates create multifaceted challenges, particularly within human resource management (HRM), leading to detrimental consequences that can undermine organizational effectiveness and hinder goal attainment[60].

Numerous global studies have explored the relationships between training and development, compensation, and turnover intention[55,60]. However, limited research exists on turnover intention among banking employees in Malaysia across various Human Resource Management (HRM) practices. This study aims to fill this gap by providing valuable insights and recommendations to banking organizations, leaders, managers, policymakers and the government, thereby enhancing the overall well-being of banking employees[66,70]. The study will conduct a thorough examination of training and development, compensation, and turnover intention among banking employees, aiming to comprehensively address the research questions. This study aims to make a significant contribution to advancing practices and reducing turnover within the banking sector.

2. Literature review

2.1. Human resource management practices

Human Resource Management (HRM) is a multifaceted discipline that encompasses various critical areas essential for organizational functionality and effectiveness. These include personnel selection, orientation, performance appraisal, training and development, labor relations, and health and safety issues[49]. Within the realm of HRM, scholars hold divergent perspectives on work ethics, reflecting differences in their emphasis on ethical considerations[65]. A primary objective of HRM is to mitigate discriminatory practices based on age, gender, race, religion, disability, weight and physical attractiveness[50]. Due to its role in fostering equitable and inclusive workplaces, HRM is indispensable across diverse business sectors. Among its core functions are the recruitment and termination of employees, which are pivotal for maintaining workforce dynamics and organizational equilibrium.

Human Resource Management (HRM) is increasingly acknowledged as crucial for achieving organizational effectiveness, aligning with mission statements, and meeting strategic goals. As a result, there is a growing emphasis on measuring and enhancing both employee and organizational performance. Equal business opportunities and governmental policies promoting minority inclusion in workplace arrangements have significantly diversified the workforce. Staffing strategies have grown more sophisticated, employee benefits systems have evolved, and job design and processes have become more innovative[34].

Modern HRM practices are increasingly focused on strategic human capital management, placing emphasis on recruitment, training and future-oriented planning. This strategic approach highlights the evolving role of HRM from transactional to strategic, aligning human resource practices with organizational objectives and long-term goals[15]. Moreover, robust HRM practices prioritize the development of human capital through extensive training and development initiatives[3]. By investing in employee growth and skill enhancement, organizations cultivate a more proficient and adaptable workforce, thereby enhancing overall organizational resilience and competitiveness.

2.1.1. Training and development

The effectiveness of training and development programs in reducing employee turnover is supported by recent research. Comprehensive training can enhance employees' skills and job performance, thereby improving their effectiveness at work[2]. Training and development are generally believed to foster a sense of value and career progression among employees, in addition to building stable human capital within an organization which decreases the likelihood of employees leaving[19]. Furthermore, training plays a vital role in increasing employee loyalty and commitment by contributing to their career growth. This, in turn, enhances employee engagement and reduces turnover intentions[34].

Training and development play a crucial role in influencing turnover intention among banking employees. It is imperative for banking institutions to thoroughly assess the effectiveness of their training and development programs and determine the associated benefits for organizational growth[32]. Understanding the optimal strategies to leverage these programs is essential for maximizing their impact within banking organizations. From a Human Resource Management perspective, training and development initiatives act as catalysts for boosting employee motivation and job performance, thereby facilitating the achievement of organizational objectives[22].

Training and development are essential methods for enhancing the value of employees by assessing and developing their potential, integrating new personnel into the organization, and improving the competencies of existing staff. Organizations allocate resources towards training and development initiatives to onboard new hires and cultivate their leadership capabilities within the organizational structure[2]. As employees perceive the acquisition of additional skills and knowledge through training and development programs, their job engagement increases, driven by enhanced learning capacity and skills relevant to their future career paths[16]. Furthermore, job rotation plays a pivotal role in exposing employees to diverse functions across various organizational departments. Training and job rotation are critical factors in enhancing employees' skills, thereby boosting motivation and reducing turnover intentions although empirical evidence supporting this remains limited[47].

Training and development aim to enhance individuals' intellectual capacities, encompassing their knowledge, skills and work habits. Widely regarded as a fundamental component of human resource management, training and development is crucial for boosting the productivity of individuals, teams and organizations alike[71]. Effective training management and organization are essential for maximizing its impact. It has become a critical and integral part of successful performance management systems. In today's competitive and dynamic business environment, well-designed training programs are essential for organizational success. Therefore, training programs must be meticulously planned to identify developmental areas, align with employee needs and ultimately contribute to the organization's success and growth[34].

2.1.2. Compensation

Compensation stands out as a crucial factor influencing both employee retention and attraction[14]. Establishing a well-defined compensation management policy enables companies to effectively retain, motivate and manage existing talent while simultaneously attracting new talent. Job analyses serve as essential tools for human resource (HR) professionals in crafting an effective compensation policy, focusing on key components such as pay scales, bonus and incentive schemes, improvements to the work environment and restructuring positions where necessary[72].

The creation of a long-term incentive compensation plan is crucial for motivating both managerial personnel and employees. In contemporary practice, many companies implement such plans soon after their establishment, acknowledging their essential role in fostering organizational commitment and performance. Rewards are a central element of the compensation framework[37]. By conducting thorough compensation surveys and market analyses, employers can assess the adequacy of their compensation packages relative to industry standards and benchmarks[13]. These efforts support informed decision-making to establish competitive compensation structures and increase employee satisfaction and engagement levels.

Compensation is a strategic aspect of human resource management, exerting a profound influence on various HR functions[40]. It encompasses several categories, including salary, wages, incentives, commissions, bonuses, indirect allowances, and non-financial rewards. These tangible forms of compensation serve as fundamental motivators for employees, directly linking performance with financial rewards[54]. Indirect monetary payments, such as allowances, include benefits like insurance coverage and company-sponsored entertainment. Despite being non-monetary, these allowances significantly enhance the overall compensation package, contributing to employee satisfaction and well-being[9]. Furthermore, non-financial rewards are essential components of compensation, comprising intangible incentives such as a stimulating work environment, flexible work hours, and access to prestigious office facilities. While not easily measurable, these non-financial rewards play a crucial role in enhancing employee engagement and retention efforts[51].

2.2. Turnover intention

Employee turnover refers to the rate at which a company replaces employees within a specific period relative to its total workforce. It quantifies the flow of personnel into and out of an organization and is typically measured by turnover rates. Employee turnover involves the movement of workers across different companies, roles, and occupations within the labor market. It is influenced by various factors originating from both employers and employees. Key determinants include wages, company performance, employee attendance and job performance[62].

Employee turnover involves employees leaving a company and being replaced by new hires. Essentially, turnover indicates whether an employee chooses to remain with or leave the organization. Advances in measuring and defining turnover have led researchers to consider its voluntary, avoidable and functional aspects. Turnover is typically categorized into two main types which are voluntary and involuntary turnover[69].

Today, employee turnover is a critical concern for many companies as it involves the movement of employees from one organization to another. Turnover adversely affects company performance by reducing productivity, diminishing service quality and increasing operational costs[21]. Moreover, a high turnover intention rate indicates the potential loss of valuable employees, driven primarily by their decision to pursue alternative employment opportunities[8]. Increasing turnover intention rates lead to organizational inefficiencies and productivity declines in both the short and long term[5]. In response to these challenges, management must devise strategies to retain employees, ensuring the company's long-term viability and operational effectiveness.

2.3. Training and development linked with turnover intention

Training and development are crucial mechanisms for enhancing employee value by assessing and nurturing their potential, integrating new personnel into the organization, and improving the competencies of existing staff. Employee training is essential for human resource development and management, playing a pivotal role in achieving organizational goals. Syed et al.[66] investigated the impact of training and development on turnover intentions in the banking sector, highlighting the importance for banks to cultivate skilled, responsible, and capable staff. The findings highlight the effectiveness of well-structured training programs in increasing organizational commitment and reducing employee turnover, thereby enhancing professionalism and profitability. Specifically, the study identifies a positive and significant correlation between on-the-job training and turnover intentions. These results emphasize the strategic importance of prioritizing comprehensive training initiatives to strengthen employee commitment and retention, ultimately optimizing operational efficiency in organizations.

Memon et al.[39] and Ismail[29] supported the idea that training initiatives help reduce turnover intention rates. Additionally, Lynch[38] observed that employees who undergo on-the-job training tend to exhibit higher job retention rates due to the acquisition of company-specific skills. Beck[11] suggested that distance learning programs have the potential to enhance employee retention although empirical evidence supporting this remains limited. Furthermore, Mudor[43] found that training is positively correlated with job satisfaction and negatively correlated with turnover. Similarly, Huang and Su[27] found a negative relationship between training and turnover intention. These studies highlighted the diverse impact of training and development initiatives on employee retention and organizational dynamics.

According to Khan[34], employee training has a significant impact on employee performance, turnover and overall organizational development. Training plays a crucial role in enhancing employee performance, improving skills, fostering organizational development and supporting career planning and capacity building. Training also contributes to compensation and provides standardized facilities to clients to achieve predetermined goals. Effective training can immediately benefit the organization by offering opportunities, support, motivation and additional assistance that are crucial for the successful implementation of the training.

This is supported by a study conducted by Tews et al.[67] which examined the impact of training climate on turnover. The results indicated that support at the individual level within the workplace was significantly related to turnover. However, other literature has found that training and development do not always have a significant relationship with turnover intention[45].

H1: There is a significant relationship between training and development and turnover intention.

2.4. Compensation linked with turnover intention

Compensation is a critical factor in retaining employees within organizations and is closely tied to job satisfaction. A study by Nagarajah and Shanmugam[44] aimed to explore the relationship between distributive justice, job stress, job satisfaction, compensation and turnover intention. This study was conducted among representatives from various banks in Penang, Malaysia. The study involved distributing 150 surveys to respondents. The results indicated that compensation significantly influences employee turnover intention. Employees are more likely to stay with a company that adequately rewards their contributions, highlighting the importance for organizations to prioritize compensation when implementing new rules or regulations.

Furthermore, compensation has a significant impact on turnover intention, where both salary and the desire to leave the company correlate positively with job satisfaction[60]. Dawwas and Zahare[20] investigated the relationship between human resource management practices, focusing specifically on job characteristics, training, performance appraisal, compensation, career development, and intention to leave. The findings revealed that these practices collectively exert a negative influence on turnover intention, supporting the hypothesis of a negative relationship between compensation and intention to leave[54]. Additionally, Dawwas and Zahare[20] examined how these human resource management practices impact intention to leave, confirming their negative effect.

High compensation can positively impact turnover intention[58]. Soelton et al. [64] confirmed that turnover intention increases if the compensation received is unsatisfactory. Furthermore, a study by Purwanto[53] found an inverse relationship between compensation and employee turnover intention. Several researchers have also identified a negative relationship between compensation and turnover intention[46,61].

However, another study concluded that turnover intention was not influenced by compensation, suggesting that high compensation did not impact employees' intention to leave the organization[73]. Although some studies have indicated that compensation and turnover intention had no significant impact[53], most research has found a negative and significant effect between compensation and employee turnover[7,70]. This suggests a gap in the existing literature.

H2: There is a significant relationship between compensation and turnover intention.

3. Materials and methods

This study utilized quantitative research methodologies to investigate its primary objectives. This approach enabled the generalization of empirical data findings, allowing for the examination of hypotheses based on existing literature. Respondents were selected using a stratified sampling technique, which involves categorizing subjects into subgroups, or strata, based on shared characteristics such as race, gender, or educational level. Subsequently, each stratum was randomly sampled using another probability sampling method. There are various techniques which could be applied to determine the sample size from a large population. In this study, Krejcie and Morgan's[36] method was utilized for this purpose. The study focused on ten banks within the Malaysian banking sector.

3.1. Instrument development

The data for this study were collected from primary sources. The respondents are current employees working in various branches of banks across Malaysia. A 7-point Likert scale ranging from 1 (strongly disagree) to 7 (strongly agree) was employed for respondents to provide their answers in the questionnaire. The use of the 7-point Likert scale in this study was chosen for its convenience, higher accuracy, and ability to accurately reflect the evaluations of the respondents.

3.2. Data collection

This study focused on the top ten private banks in Malaysia with the highest total assets. The combined number of employees across these banks was 128,405 which represented the total population for this study. According to Krejcie and Morgan[36], for a population size of 128,405, the recommended sample size was 384. To account for potential missing data and response errors, the researcher decided to increase the sample size to 400. Consequently, the data were collected from 400 respondents through an online questionnaire administered via Google Form. A total of 363 responses were considered valid for analysis. Before participating, respondents were assured of the confidentiality of their personal information and responses, with the data used exclusively for this study. Descriptive analysis was conducted using the Statistical Package for Social Sciences (SPSS) to examine the demographic characteristics of the respondents. SmartPLS version 4 was employed for modeling, encompassing both measurement and structural aspects.

4. Results

4.1. Data collection

The participants in this study were banking employees from ten different private banks in Malaysia. As shown in **Table 1**, the majority of participants were female, accounting for 65% of the total sample. Among the 363 respondents, the largest ethnic group was Malay, comprising 46.6%, followed by Chinese (38.3%), Indian (12.1%), and others (3%). The majority of respondents (46.6%) were aged between 25 and 34. The sample reported an average median monthly income range of RM2500-RM3999. The majority of participants (61.4%) held a Bachelor's degree from universities.

Table 1. Profile of sample respondents (n=363).

Characteristics	% of respondents
Gender	
Male	35.0
Female	65.0
Ethnicity	
Malay	46.6
Chinese	38.3
Indian	12.1

Characteristics	% of respondents
Others	3.0
Age Group (years)	
< 25	12.0
25 - 34	46.6
35 - 44	30.9
45 - 54	10.5
Highest Education Qualification	
MCE / SPM	14.1
Foundation / Diploma	20.9
Bachelor Degree	61.4
Master Degree	3.6
Monthly Income Level (Ringgit Malaysia)	
1,000 – 2,499	5.3
2,500 – 3,999	54.0
4,000 – 5,499	24.8
5,500 – 6,999	10.7
> 7,000	5.2

4.2. Measurement model assessment

A 7-point Likert scale was employed to identify the level of agreement regarding each item under investigation in this study. All measures utilized are reflective constructs. Cronbach’s alpha was used to assess the reliability of these constructs. In Partial Least Squares Structural Equation Modeling (PLS-SEM), composite reliability does not require all indicators to possess equal reliability, aligning with its methodology of prioritizing indicators based on their reliability during model estimation. According to Thomdike[68], composite reliability values ranging from 0.60 to 0.70 are considered satisfactory in exploratory research, while values from 0.70 to 0.90 are deemed adequate for more advanced stages of research. Values below 0.60 indicate insufficient reliability of the indicators[24,68].

The assessment of validity in reflective measurement models focuses on evaluating both convergent and discriminant validity. Convergent validity is typically assessed by examining the average variance extracted (AVE). An AVE value equal to or greater than 0.50 indicates satisfactory convergent validity, suggesting that the latent variable explains more than half of the variance observed in its indicators[24]. Composite reliability was employed to ensure internal consistency, while indicator reliability was assessed using AVE.

As shown in **Table 2**, Cronbach’s alpha values for the measures used ranged from 0.947 to 0.953. The lowest composite reliability and AVE were found to be 0.954 and 0.607, respectively. These values indicate that the measures utilized in this study were reliable and exhibit no significant issues.

Table 2. Measurement construct reliability and validity

Variables	Cronbach's alpha	Composite reliability	Average variance extracted (AVE)
Training and Development	0.953	0.959	0.681
Compensation	0.947	0.954	0.633
Turnover Intention	0.948	0.960	0.607

In a well-fitted model, correlations between different traits (heterotrait correlations) are typically smaller than correlations between similar traits (monotrait correlations). Therefore, it is important that the Heterotrait-Monotrait (HTMT) ratio remains below 1.0, as illustrated in the example output provided in **Table 3**. According to Henseler et al.[26], a HTMT value below 0.90 suggests that discriminant validity has been established between two reflective constructs.

Table 3. Results of HTMT

	Compensation	Training and Development	Turnover Intention
Compensation			
Training and Development	0.582		
Turnover Intention	0.700	0.509	

Structural multicollinearity presents challenges in both reflective and formative models. SmartPLS displays VIF coefficients for the structural model under 'Inner VIF Values'. Ideally, these coefficients should not exceed 4.0 in a well-fitted model. The variance inflation factor (VIF) values for both training and development, as well as compensation, were below the threshold of 4.0, as shown in **Table 4**, indicating no issues with multicollinearity in the structural model of this study[23].

Table 4. Results of VIF

	Compensation	Training and Development	Turnover Intention
Compensation			1.443
Training and Development			1.443
Turnover Intention			

4.3. Structural model assessment

As depicted in Table 5 below, significant negative relationship was found among training and development, compensation, and turnover intention. Specifically, compensation exhibited a stronger impact on turnover intention with a path coefficient of -0.578, followed by training and development at -0.168. The relationship between compensation and turnover intention can be characterized as moderate, while the association between training and development and turnover intention is considered weak.

The results indicated that training and development significantly influenced turnover intention (t-statistic = 4.015, p = 0.000). Additionally, compensation also demonstrated a significant influence on turnover intention (t-statistic = 13.011, p = 0.000). Both training and development, as well as compensation, were found to have a significant negative impact on turnover intention.

Table 5 below summarizes the results of path analysis, including the outcomes of all research hypotheses examined in this study.

Table 5. Summary of path analysis.

Hypotheses	Path	R^2	Path coefficient	T-statistics	P-values	Results
H1	TD → TI	0.469	-0.168	4.015	0.000	Supported
H2	CO → TI	0.469	-0.578	13.011	0.000	Supported

****p < 0.001, **p < 0.05, *p < 0.01, TD = training and development, CO = compensation, TI = turnover intention*

5. Discussion

This study uncovered a significant relationship between training and development, compensation and turnover intention. The findings suggest that turnover intention tends to decrease with greater emphasis on training and development, as well as with higher levels of compensation. However, the magnitude of these relationships varies. The relationship between compensation and turnover intention is moderate, whereas the impact of training and development appears to be comparatively smaller. Significantly, compensation exhibits a stronger relationship with turnover intention than training and development. These findings are consistent with prior research that has investigated the linkages between training and development, turnover intention, and compensation.

Indeed, compensation emerges as a critical factor in employee retention within organizations, a concept substantiated by numerous scholars in the field[46,63]. Additionally, study by Sattar and Ahmed[61] demonstrates an inverse relationship between compensation and turnover. Similarly, the study conducted by Candra et al.[18] also establishes an inverse relationship between compensation and employee turnover intention. Compensation plays a pivotal role in reducing turnover intention by addressing fundamental needs and expectations of employees. Competitive and equitable pay not only attracts top talent but also serves as a key motivator for employees to stay within an organization. When compensation aligns with industry standards and reflects the value of employees' skills and contributions, it enhances job satisfaction and reduces the likelihood of employees seeking better-paying opportunities elsewhere. Additionally, fair compensation practices foster a sense of fairness and transparency, which are essential for maintaining trust and morale among employees. By providing a stable and satisfactory income, organizations can mitigate turnover intention, as employees feel financially secure and valued, thereby reinforcing their commitment to the organization's success. Effective compensation strategies, therefore, not only help in retaining talent but also contribute to a positive workplace culture that supports long-term employee retention and overall organizational stability.

Additionally, the relationship between training and development, and turnover intention is negative. Training and development serve as essential mechanisms for enhancing employee value by evaluating and cultivating their potential, integrating new personnel into the organization, and refining the skills of existing staff. Organizations invest resources in training and development programs to orient new hires and foster their leadership competencies within the organizational structure. Huang and Su[27] identified a notable negative correlation between satisfaction with professional development and turnover intentions among Taiwanese employees[31]. This finding is reinforced by another study conducted by Tews et al.[67], which examined the impact of training climate on turnover. The findings revealed that individual-level support in the workplace, particularly within the training climate, significantly influences turnover rates. A supportive training environment can substantially reduce employee turnover, highlighting the importance of supporting knowledge and skill development. Another study conducted by Ji-Young and Huang[32] also indicates that both general training and firm-specific training contribute to a reduction in employee turnover intention although empirical evidence supporting this remains limited. Importantly, company-specific training has a notably stronger impact on turnover intention than general training. These findings highlight the effectiveness of both types of training programs in improving employee retention.

The practical significance of this research lies in its potential to guide various stakeholders within the banking sector, including leaders, managers, policymakers and government officials. The findings are expected to offer valuable insights into how organizations can enhance employee job satisfaction and retention. High turnover rates can be costly for banks, both financially and operationally, making it essential for companies to create environments where employees feel valued and have opportunities for professional growth. For instance, banks can implement comprehensive performance management systems, invest in ongoing employee development, and offer competitive compensation packages to mitigate turnover and attract top talent.

Furthermore, the research provides actionable insights for policymakers and organizational leaders, suggesting that they use these findings to inform and shape effective HR policies. Governments and industry regulators can contribute by developing guidelines that encourage best practices in employee management. Additionally, HR managers can use the research findings to craft and refine policies that support employee retention. This involves developing holistic retention strategies that go beyond salary increases to include elements such as recognition programs, career progression opportunities, and work-life balance initiatives. By applying these findings, banking organizations can enhance their employee retention strategies, boost productivity, and create a more positive work environment. The research offers a solid foundation for developing HR practices that address both immediate and long-term organizational goals, ultimately contributing to sustained success in the industry.

The primary limitation of this study is the reliance on cross-sectional data which captures information at a single point in time and restricts the ability to draw conclusions about causality and temporal changes. Cross-sectional data did not reveal how these factors evolved over time or interact dynamically. Additionally, without tracking data over multiple periods, this study could not establish the sequence of events or assess the impact of interventions on employee outcomes. To address these issues, future research should incorporate longitudinal designs that collect data over extended periods, offering a more comprehensive view of causal relationships and the effectiveness of HR practices. Such an approach would enhance the understanding of how HRM and turnover evolve and enable better evaluation of strategies aimed at improving employee outcomes.

6. Conclusion

In summary, both compensation and training and development play crucial roles in influencing turnover intention. Therefore, the findings of this study are relevant to various stakeholders, including researchers, banking organizations, leaders, managers, policymakers and governmental bodies. This research highlights the significant importance employees place on training and development, as well as compensation, in addressing turnover intention. As a result, researchers recommend that employers enhance their retention strategies by offering attractive training and development opportunities, along with competitive compensation packages that include salaries, benefits, and additional incentives. Future research could be enhanced by expanding the scope to include multiple branches across various regions of Malaysia. Moreover, the study's use of cross-sectional data presents challenges in establishing causality within the research model. To address the limitations of cross-sectional studies, future research could benefit from using longitudinal studies. Longitudinal research involves collecting data at multiple points in time which allow researchers to track changes and developments over extended periods. This approach provides a deeper understanding of how variables evolve and interact over time besides offering insights into causal relationships. Furthermore, future research could benefit from exploring additional variables, such as organizational culture and leadership styles. Incorporating these variables could enhance understanding of their impact on turnover intention and overall organizational dynamics. For example, examining how different leadership styles influence employee satisfaction and retention, or how various aspects of organizational culture affect turnover, could yield insights that contribute to more effective management strategies and improved employee retention practices. By adopting longitudinal designs, future research can enhance the understanding of dynamic processes and causal mechanisms, thereby addressing the limitations associated with cross-sectional approaches and contributing to more robust and actionable insights. Therefore, longitudinal studies are necessary to explore the predictive nature of the model by tracking turnover trends over extended periods. Furthermore, future investigations could explore a wider range of factors influencing turnover intention, including work-life balance, perceived organizational support, employee personality traits, and opportunities for career advancement. By examining these diverse factors, researchers can deepen understanding of turnover intention within organizational contexts.

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Conflict of interest

The authors declare no conflict of interest.

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