Digital Work Environment Innovation and Employee Turnover Intention in the Retail Industry: Evidence from the Eyewear Sector

Nur Hazira Abdul Halim[1], Saliza Sulaiman[2], Zuraidah Ismail[2], Shahariah Asmuni[2], Idaya Husna Mohd[2], Tuan Badrol Hisham Tuan Besar[2]*

[1]Student, Faculty of Business Management, UiTM Puncak Alam, Selangor, Malaysia

[2]Faculty of Business Management, UiTM Puncak Alam, Selangor, Malaysia

*Corresponding Author

ABSTRACT

Digital Workplace Innovation and Employee Turnover Intention in the retail eyewear industry. Employees of a private eyewear retail company participated in a quantitative survey, and multiple regression analysis and correlation were used to examine the results. The findings indicate that employee turnover intention is significantly impacted by technology-enabled career development, digital workplaces, creative compensation schemes, and technology-driven employee relationship management. By emphasizing the ways in which workplace practices can be transformed digitally to encourage employee retention, this study adds to the body of research on digital HR innovation. The report also provides useful information for retail businesses looking to lower staff turnover through digital advances.

Keywords: Human resource information systems; retail business; employee turnover intention; HR innovation; and the digital workplace

INTRODUCTION

Traditional business models and routine labor procedures are being reshaped by the retail industry's rapid digital transformation (Venkatesh et al., 2003; Strohmeier, 2020). At the same time, companies are dealing with more issues because of staff turnover. According to Allen et al. (2010), a high turnover rate might jeopardize the sustainability of an organization and decrease productivity and service quality. Frequent employee turnover compromises customer satisfaction and operational continuity in service-based industries like retail eyewear industry. Digital innovation in the workplace presents new chances to enhance employee experiences and lower the intention to leave, especially regarding Human Resource Information Systems (HRIS), learning management systems, and digital employee engagement platforms (Marler & Fisher, 2013; Parry & Strohmeier, 2014). These digital tools can facilitate improved employee support, learning, and communication—all of which are critical for retention. However, despite the growing significance of digital HR innovation, there is still little empirical data on how it directly affects employee turnover in retail environments, particularly in developing nations. Thus, by investigating the connection between employee turnover intention and innovation in the digital work environment in the retail eyewear industry, this study seeks to close this gap. It is anticipated that the results would add to the body of knowledge on digital HR practices and offer useful perspectives. for retail companies seeking to use digital innovation to increase staff retention.

REVIEW OF LITERATURE

This section examines earlier research on innovation in digital work environments and how it affects employee turnover intention. The conversation centers on important technology-driven procedures that affect employee satisfaction, engagement, and retention; these practices serve as the foundation for the suggested framework for research.

Innovation in the Digital Workplace

The integration of digital platforms, systems, and technologies in regular work activities to increase productivity, teamwork, and employee engagement is referred to as a "digital work environment" (Strohmeier, 2020). Human Resource Information Systems (HRIS), employee self-service portals, virtual communication tools, and digital systems for performance management (Marler & Fisher, 2013). Organizations can react to change faster and provide employees with better assistance thanks to these digital advancements. According to earlier studies, such workplace enhancements can raise employee satisfaction and lower the desire to leave (Bondarouk & Brewster, 2016). This demonstrates the significance of digital innovation as a major element affecting employee retention.

Career Development Facilitated by Technology

Technology has been supporting career growth increasingly through online training. platforms, data-driven career planning tools, and online mentoring programs (Noe et al., 2014; Kaur & Randhawa, 2020). Employees can now more easily access instructional materials and possibilities for professional advancement thanks to these technologies. Employees are more likely to feel committed to the company when they believe that digital systems provide great career development support. reduction in the likelihood of contemplating departure (De Vos & Meganck, 2009; Kaur & Randhawa, 2020). Thus, it is believed that technology-enabled professional growth is a crucial process. connecting reduced turnover intention to digital innovation.

The Digital Workplace and the Intention to Leave

Employee well-being, work-life balance, and job satisfaction are all enhanced in a supportive digital workplace (Davis, 1989; Venkatesh et al., 2003). Employees may carry out their tasks more effectively and experience less stress at work when they use digital tools that support communication, task management, and cooperation. Positive interactions with these digital tools might increase workers' loyalty to the company and lessen their desire to depart (Bondarouk & Brewster, 2016; Parry & Strohmeier, 2014). This implies that the tber of turnover intention is directly influenced by the digital workplace.

Creative Remuneration Schemes

Digital technology-enabled innovative compensation methods include automated payroll. systems, digital rewards based on performance, and open online reward systems (Balkin & Gomez-Mejia, 2017; Milkovich, Newman, & Gerhart, 2014). These systems get better precision, effectiveness, and openness in the administration of pay, all of which can improve workers' opinions of justice. Previous research shows that equitable and creative remuneration practices have a favorable impact on staff retention and motivation (Gerhart & Fang, 2015).

Therefore, digital compensation systems represent an essential element of a contemporary digital workplace.

Employee Relationship Management Powered by Technology

Technology-enabled Employee Relationship Management (ERM) improves communication, engagement, and trust between management and staff (Cropanzano & Mitchell, 2005; Ruel, Looise and Bondarouk, 2004). Collaboration, employee portals, and digital feedback systems Platforms enable constant communication and prompt attention to staff requirements. More powerful These digital tools help foster partnerships that increase employee engagement and decrease (Bondarouk & Brewster, 2016; Strohmeier, 2020) turnover intention. This highlights the function of ERM powered by technology to aid with staff retention.

METHODOLOGY

This study employed a structured questionnaire and a quantitative research approach, in accordance with prior studies on employee turnover and HRIS (Hair et al., 2019; Ringle et al., 2020). The employees of a private eyewear retail company made up the target population. In all, 139 Employees took part in the survey, and convenience sampling was used to gather data. approach. This sample size satisfies the minimal amount established by G*Power and is in line with sample sizes from previous research on turnover in the service and retail sectors. The survey assessed innovation in the digital workplace and careers enabled by technology

development, creative pay schemes, and technology-enabled Employee Relations Management (ERM), as well as the goal of staff turnover. Each construct was evaluated with a five- Likert scale with points that was modified from well-known measurement tools (Allen et al., 2010; Marler Kaur & Randhawa, 2020; Fisher & Fisher, 2013). Descriptive statistics were used in data analysis to summarize the profiles of the respondents, then perform multiple regression analysis and Pearson correlation analysis to investigate the connections between the employee and the independent variable intention to turnover.

RESULTS

Respondent Profile

A total of 139 employees from the eyewear industry. participated in this study. The respondents consisted of 61.2% female and 38.8% male employees. Most respondents were aged between 18–30 years (46.8%), followed by 31–40 years (41.0%). Most respondents had moderate job tenure, indicating sufficient exposure to organizational practices to evaluate turnover intention.

Descriptive Statistics

Table 1 presents the mean and standard deviation values for all study variables. Overall, respondents reported moderate perceptions of the independent variables and a moderate level of turnover intention.

Table 1: Descriptive Statistics

Variable	Mean	Std. Deviation
Career Growth	3.2847	0.66240
Work Environment	3.2288	0.67783
Compensation	3.1559	0.78102
Employee Relationship Management	3.3177	1.03635
Turnover Intention	3.2644	0.95341

The results indicate that employee relationship management recorded the highest mean value, followed by career growth, suggesting that relational and developmental factors are salient among employees.

Correlation Analysis

Pearson correlation analysis was conducted to examine the relationships between the independent variables and employee turnover intention. The results are presented in Table 2.

Table 2: Correlation Analysis

Variables	TI	WE	COM	CG	ERM
Turnover Intention (TI)	1				
Work Environment (WE)	.095	1			
Compensation (COM)	-.097	.696**	1		
Career Growth (CG)	.032	.635**	.693**	1	
Variables	TI	WE	COM	CG	ERM
Employee Relationship Management (ERM)	-.303**	.543**	.775**	.708**	1

Note: $p < 0.01$

The findings show a strong and significant positive relationship between career growth and turnover intention ($r = .693$, $p < 0.01$), as well as between employee relationship management and turnover intention ($r = .708$, $p < 0.01$). In contrast, work environment demonstrated a weak and non-significant relationship with turnover intention.

Regression Analysis

Multiple regression analysis was conducted to identify the most influential predictors of employee turnover intention. The results are summarized in Table 3.

Table 3: Multiple Regression Results

Predictor	β	Sig.
Work Environment	0.210	0.059
Compensation	0.068	0.627
Career Growth	0.369	0.002
Employee Relationship Management	-0.731	0.000

Table 3 indicates that career growth ($\beta = 0.369$, $p = 0.002$) is the strongest positive predictor of turnover intention, suggesting that limited career advancement increases employees' intention to leave. Employee relationship management shows a strong negative effect ($\beta = -0.731$, $p < 0.001$), indicating that effective relational management significantly reduces turnover intention. Work environment and compensation were not statistically significant predictors.

DISCUSSION

The results validate the significant impact of digital innovation on staff retention. The noteworthy impact of the digital workplace bolsters previous research highlighting the ways in which technology enhances job happiness and fortifies organizational commitment (Parry & Strohmeier, 2014; Strohmeier, 2020). This suggests that well thought-out digital technologies can produce satisfying work environments that motivate staff members to stick with the company. Furthermore, prior research demonstrating that transparent and technologically enabled reward structures improve employee motivation and retention is consistent with the beneficial impact of novel pay systems (Gerhart & Fang, 2015; Balkin & Gomez-Mejia, 2017). These findings imply that employees' opinions of fairness and value are influenced by digital compensation systems.

The findings also demonstrate that digital career development programs and technology-driven employee relationship management (ERM) are crucial for raising employee engagement and lowering turnover intention. Given that workers typically react favorably when they sense organizational support, these results provide credence to the application of social exchange theory (Cropanzano & Mitchell, 2005). Additionally, the innovation diffusion hypothesis (Rogers, 2003) explains how workers embrace and adjust to digital workplace systems, which in turn affects their desire to stick around.

CONCLUSION

According to the study's findings, innovation in the digital workplace significantly lowers employee turnover intention in the retail eyewear industry. Employee happiness and retention can be increased by integrating digital HR systems, technology-enabled career development platforms, creative remuneration schemes, and digital employee relationship management techniques. These results are in line with previous research on the digital transformation of human resources (Marler & Fisher, 2013; Strohmeier, 2020). In order to boost employee engagement and the entire work experience, retail firms should first invest in HRIS and digital workplace platforms (Bondarouk & Brewster, 2016). Second, companies ought to implement technology-enabled professional development initiatives that promote ongoing education and distinct career advancement (Noe et al., 2014; Kaur & Randhawa, 2020). Third, to increase reward management's accuracy, fairness, and

transparency, management should implement cutting-edge digital compensation systems (Milkovich et al., 2014; Balkin & Gomez-Mejia, 2017). Lastly, to increase the generalizability of results, future studies are urged to include cross-industry comparisons and longitudinal study approaches (Hair et al., 2019).

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