

What Makes Them Stay? Important Role of Employee Value Proposition in Retaining Frontliner Retail

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ABSTRACT

Amidst massive digital disruption, the retail industry faces its highest employee turnover rate, making the retention of frontline workers—who are crucial for operations and customer experience—a pressing strategic issue. This study investigates factors influencing frontliners' intention to stay (ITS). It examines the influence of the Employee Value Proposition (EVP) on ITS, with the Psychological Contract (PC) and Perceived Organizational Support (POS) as potential mediators. Adopting a mixed-methods approach, this study surveyed 269 frontline workers, with quantitative data analyzed via Partial Least Squares Structural Equation Modeling (PLS-SEM). The analysis was then deepened by qualitative interviews to provide a richer interpretation of the findings. The results reveal a key finding: the transactional aspect of the EVP, encompassing compensation and tangible benefits, significantly and positively influences the intention to stay. Conversely, relational aspects like the psychological contract and perceived organizational support were found to have no significant influence. Furthermore, PC and POS also proved ineffective as mediators in the relationship between EVP and ITS. This finding implies that for today's retail frontliners, concrete economic elements are more powerful drivers of loyalty than psychological bonds or emotional support. The study provides clear strategic guidance for retail managers to prioritize transactional incentives in their efforts to curb high turnover rates and enhance workforce stability.

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1. INTRODUCTION

An issue that is often faced in the business world in the modern era is the issue of increasing turnover rates due to technological developments. Discussing the intention of workers to stay in the company is important, especially in the retail industry because the high turnover rate will have a negative impact on the company's operations and profitability (Julianti et al., 2024). Based on data obtained from the US Bureau of Labor Statistics, it is stated that the retail industry is the industry with the highest turnover rate with a percentage of 5%. This figure is higher when compared to the average turnover in other industries, which is 3.9%. The conditions that occur in the Indonesian retail industry are not much different. This is supported by data obtained from Mercer (2019) that the turnover rate in the retail industry in Indonesia reached 16.9%, where this figure makes retail with the highest turnover rate compared to other industries. The high turnover rate in the retail industry has a negative impact on several aspects of the company's operations, such as production costs and processes, recruitment costs, training and development budgets, and so on (Nilsson & Backman, 2024). The challenge of high turnover is increasing amidst inflation and the ongoing global pandemic, where most retail frontliners are considering leaving their jobs.

According to McKinsey data (2022), there are around 63% of frontline workers who want to leave their jobs, and most of them do not want to work in the retail industry in the future. Externally, the rapid changes experienced by the retail sector such as automation processes and the emergence of e-commerce have created structural changes in the economy, increasing the importance of having highly competent workers in several aspects (Nilsson & Backman, 2024). The global pandemic requires every sector to encourage safer interactions by utilizing digital platforms to replace traditional interactions (Roggeveen & Sethuraman, 2020). In addition, there are threats from an internal perspective, where work in the retail sector often involves high physical demands, irregular working hours, and pressure to achieve sales targets. The crisis that occurred in the retail industry cannot be separated from the conditions of workers who are at the frontliners who are directly facing consumers. These frontliners hold the key to the success of the retail industry, but in terms of structure they occupy the lowest position so that they have a fairly large gap with the company. Mende & Noble (2019) explain that retail workers who have positions as frontliners are the most important component of workers in terms of supply and demand in the retail

industry. With increasing access to information about a product, customer knowledge about the product will increase, which will affect the competencies that frontline workers must have (Hochstein et al., 2019).

One of the efforts that can be made by the company is to implement a strong employee value proposition (EVP) strategy, covering both financial and non-financial aspects, such as compensation, a conducive work environment, and professional development. Previous studies have mostly focused on how talent management practices in general affect the intention to stay (Festing & Schafer (2013); Wang et al., (2023)). In this study, the focus will be on EVP as an integral form and key element in the talent management process (Collings & Mellahi, 2009). In the context of retail frontliners, the influence of EVP is much more relevant to discuss because it directly influences their decision to stay in the company (Berthon et al., 2005), is more specific and in line with the expectations of frontliners who are often less involved in broad talent management strategies (Collings et al., 2018), and EVP is able to provide a competitive advantage for retail companies in reducing turnover (Dabirian et al., 2017). In addition, it is also important to see the relationship with how the company provides support for employee performance (perceived organizational support), as well as how the psychological bond is exchanged by the company with employees (psychological contract). PC and POS can explain how EVP is translated into frontliner perceptions, not just something offered by the company. In line with what was explained by Bahadir et al., (2024) that higher support must come from the company directly, by paying attention to all components that have been agreed upon by both parties when employing them, and this will be a good motivator for workers to increase their productivity and stay in their jobs.

This study aims to (1) investigate the influence of employee value propositions (EVP) on intention to stay, (2) explore the role of psychological contract as a mediator, and (3) explore the role of perceived organizational support (POS) as a mediator. To meet these objectives, there are research questions raised, how the influence of employee value proposition (EVP) can affect intention to stay through psychological contract and perceived organizational support (POS) as mediators in the context of frontliner in the Indonesian retail industry. This study is integrated with the social exchange theory which is an important basis in studying the influence of organizational behavior on individual behavior in it (Cropanzano et al, 2015). Studies on organizational behavior use this theory to explain the influence between companies as employers and their workers (Lee, 2014). The assumptions in social exchange theory explain how individual behavior influences the exchange process that occurs in a social system, in which there is interaction between several parties who exchange something of value, and there are expectations about rewards from other parties (Molm et al, 2007). From the company's perspective, exchange will occur if workers feel that they are making the same exchange between workers. This interaction will be created if workers consider that the company is able to provide facilities, create an environment, and rewards that can trigger workers to make the exchange. Therefore, this study will use social exchange theory in explaining how the reciprocal process occurs between companies and workers through employee value proposition practices in an effort to increase workers' desire to stay in the company.

In SET theory, Blau (1964) explains that social relationships are formed from reciprocal exchanges between resources (tangible and intangible). In the work settings, this means that when workers perceive meaningful support or benefits from the company, they will feel responsible to reciprocate with positive attitudes and performance. EVP as a benefit offered by the company can fulfill this reciprocal relationship with POS and PC as its mediators, when the company is able to provide good EVP (fair wages, career ladder, flexible work schedule), workers will have the perception that the company provides support to them and successfully fulfills its responsibilities. In accordance with the study of Jiang & Kleiner (2020) which states that the components in EVP (compensation and benefits, career opportunities, work-life balance, organizational culture) can significantly affect worker retention. This supports the assumption in SET that workers will give back what they receive from the company in the social exchange framework. EVP through the SET framework provides a stronger and more relevant explanation for discussing talent retention. This is based on the study of Eisenberger et al., (2001) which explains that when workers perceive high support from the company (EVP), workers will reciprocate through increased commitment and will reduce turnover rates. In line with what was explained by Cropanzano & Mitchell (2005) that the reciprocal process creates long-term attachment to the company, and EVP becomes a strong strategy to encourage relational relationships between resources (meaning of work, recognition, career opportunities, and sense of belongings with work). This makes SET a stronger theoretical basis than JD-R, which more often focuses on the operational aspects of a job (workload).

In SET, EVP has been proven to influence intention to stay through POS and PC as mediators. However, a highly transactional environment such as the retail industry may produce different results, where these two mediators may not have as significant an influence as in other industries. Workers in the retail industry, especially frontliners, tend to interpret EVP as an economic exchange rather than as social support, which will weaken the mediation effect of POS and PC offered by social exchange theory. This is in accordance with what was explained by Rhoades & Eisenberger (2002) that POS is very strong in increasing employee commitment and reducing

turnover rates, but has varying impacts for different industries and types of jobs. Likewise, PC may also be unbalanced in the context of retail frontliners. In accordance with what was explained by [Conway & Briner \(2005\)](#) that psychological contracts are often not formed in frontliner positions when interaction between workers and employers is limited.

[Festing & Schafer's \(2013\)](#) discusses talent retention practices and its impact on employee commitment from a psychological contract perspective. The results of the study explain that regardless of the communication patterns carried out by the company in its talent management practices, whether reactive or not, the psychological contract (relational and transactional) will still be fulfilled properly and will have an impact on increasing employee loyalty. However, to retain employees, only highly reactive and highly engaged talent management practices have been proven to have a significant impact ([Festing & Schafer, 2013](#)). [Pawar et al \(2021\)](#) explained that EVP and human resource management are closely related. EVP has several components such as benefits, career, culture, compensation, and work environment, which are central to the entire talent management process and are an integral form of talent management. In other words, EVP can be said to be a form of talent management that is highly-engaged and reactive because EVP is basically a practice to align company offerings with employee expectations and needs ([Herger, 2007](#)). Therefore, this study will discuss EVP as one form of highly engaged talent management practice as an important factor influencing workers' desire to stay in the company, because EVP is not designed merely to attract and retain workers, but also to create an interesting and valuable work experience, and in accordance with workers' expectations.

[Weng et al., \(2023\)](#) explained how talent management practices can influence intention to stay through the mediation of POS and work engagement and work-life balance as moderation. The results of the study showed that POS plays a crucial role in mediating the influence between talent management and intention to stay. The influence created between talent management practices and intention to stay will be clearer in detail if other factors are considered as mediators. Therefore, this study will identify the role of other variables, namely psychological contracts, as mediating variables that can bridge the influence between EVP as an integral form of talent management with intention to stay. In addition, [Raj \(2020\)](#) also emphasized that when workers strongly identify themselves with the company's image that has implications for EVP practices, workers will have a higher desire to stay in their company. This is the basis for choosing EVP as a variable that will determine how workers want to stay in the company supported by the company's promises in the form of perceived organizational support and psychological contracts.

Workers who perceive that the EVP they receive cannot meet their expectations will tend to leave the company ([Heger, 2007](#)). This is in accordance with what [Chew and Chan \(2008\)](#) explained that providing benefits in terms of training and development of skills is a positive recognition that can retain workers. [Berthon et al \(2005\)](#) also explained that EVP can be carried out individually by providing career development opportunities, providing compensation (economic), providing challenging tasks that can stimulate creativity, opportunities to apply their abilities and knowledge, and support from superiors. If all of these components are successfully provided by the company through EVP practices, workers will have a positive perception of their work and company, which will increase worker loyalty ([Asha, 2018](#)). Therefore, this study will provide the following hypotheses:

H1 : EVP have a positive influence on ITS

If workers perceive that the company has succeeded in fulfilling its promises and in accordance with the expectations of workers, then workers will have high job satisfaction and commitment to the company. This cannot be separated from perceived organizational support which is a belief held by workers that the company appreciates and gives value to every contribution made by workers ([Suthatorn, 2023](#)). When a company is able to provide a strong EVP, it will have a positive impact on workers' perceptions of the company. Furthermore, if workers have a strong perception of EVP, then workers will have a high level of desire to stay in the company ([Uen & Chen, 2022](#)). Workers tend not to seek other opportunities from external sources if they feel that their company provides support and value to them, both professionally and personally. Therefore, this study will provide the following hypotheses:

H2 : EVP have a positive influence on POS

H3 : POS have a positive influence on ITS

Strategic factors to increase workers' desire to stay in the company are by providing indirect compensation, such as career and ability development ([Whelan & Carcary, 2011](#)) and a healthy and innovative work environment ([Cook, 2010](#)). All of these factors are things that are created in the psychological contract that binds workers and the company. If workers have a positive perception of the EVP given to them by the company, then the psychological contract that is established between the two parties will be stronger ([Festing, 2023](#)). Therefore, this study will provide the following hypotheses:

H4 : EVP have a positive influence on PC

H5 : PC have a positive influence on ITS

Although there have been many studies explaining that workers' perceptions of EVP can influence their intention to stay, there are still few empirical studies that show the role of psychological contracts in bridging the influence of both. [Edwards \(2009\)](#) explains that companies provide signals through the provision of EVP, where these signals will determine the formation of psychological contracts between the company and workers. Workers will interpret the signal as the company's consistency towards them. This signal will increase the psychological contract which will later create responsibility for workers to contribute and have the behavior desired by the company ([Rousseau et al, 2018](#)). In other words, psychological contracts bridge the influence between EVP and ITS by forming perceptions of how well the company can fulfill its promises and responsibilities ([Raj, 2020](#)). Therefore, this study will provide the following hypotheses:

H6 : PC mediates the positive influence between EVP and ITS

Companies that are able to invest in their human resources have been proven to bring success to the company, one of which is the success of retaining employees ([Bjorkman et al, 2013](#)). Investments made by companies are one form of corporate support created through EVP. EVP practices that are considered successful will create a positive perception in the minds of workers regarding the company's support for them, so that workers will choose to stay in the company and will reduce the company's turnover rate. In other words, when workers perceive that the company can deliver on its promises consistently (strong EVP), then workers will feel supported (strong POS), which will strengthen their desire to stay in the company ([Raj, 2020](#)). Therefore, this study will provide the following hypotheses:

H7 : POS mediates the positive influence between EVP and ITS

2. METHOD

This study uses a quantitative method using a questionnaire as the main instrument in data collection. The sample of respondents for the questionnaire was 269 frontline workers in the Indonesian retail industry who were selected through purposive sampling. The sample of this study used the SEM method by multiplying the number of questionnaire items by 5 ([Ferdinand, 2000](#)). The total number of questionnaire items in this study was 47 items, so the minimum sample size was 235 respondents, so the total of 269 respondents had met the minimum sample size. This sample also met the cross-sectional design criteria and was considered feasible for statistical analysis, including structural equation modeling ([Hair et al., 2010](#)). In addition, the 269 respondents obtained were also spread across several large areas in Indonesia, both in Jabodetabek and outside Jabodetabek. Therefore, it can be concluded that the sample of respondents obtained in this study was adequate contextually and statistically to obtain a robust quantitative analysis that can be generalized for the study population.

The characteristics of the respondents were seen through work experience in the retail industry and specifically occupying positions as frontliners who deal directly with customers. To enrich insight into the findings of quantitative data, this study will combine it with qualitative results obtained from in-depth interviews with several Indonesian retail frontliners. The addition of this data is intended to deepen the understanding obtained from the quantitative approach using a qualitative perspective. The results of qualitative data collected through in-depth interviews with several retail frontliners will complement the quantitative data analysis that will be carried out with Smart PLS. For additional qualitative data, it will be analyzed using thematic analysis.

Each item in the survey is measured using a Likert scale from 1 to 5, where 1 indicates strongly disagree and 5 indicates strongly agree. For the intention to stay variable, a measuring instrument was used that was adopted from the research of [Milliman et al. \(2018\)](#) with a total of 3 items. For the psychological contract variable, a measuring instrument was used that was adopted from the research of [Coyle-Shapiro & Kessler \(2003\)](#) with a total of 12 items. For the variable perceived organizational support, the measuring instrument introduced by [Eisenberger et al. \(1986\)](#) with 7 items was used. For the variable employee value proposition, the measuring instrument adopted from the research of [Berthon et al. \(2005\)](#) with 25 items was used.

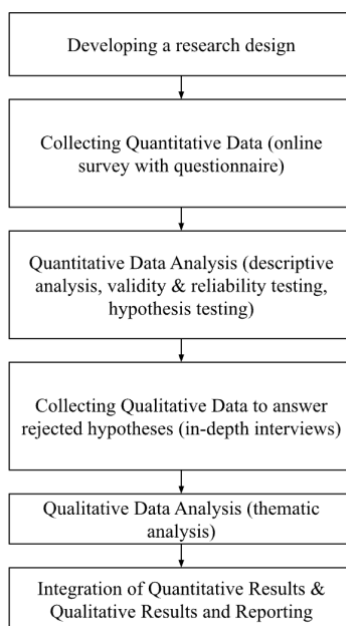


Figure 1. Research Flow

3. RESULT AND DISCUSSION

Table 1. Respondents Descriptive Analysis

	N	%
Gender		
Female	127	47
Male	142	53
Years of Birth		
Gen X (1965-1980)	3	1
Gen Y (1981-1996)	128	48
Gen Z (1997-2012)	138	51
Tenure in the Company		
<1 year	61	23
1-5 years	129	48
6-10 years	52	19
>10 years	27	10
Tenure in the Retail Industry		
<1 year	36	13
1-5 years	119	44
6-10 years	65	24
>10 years	49	18
Placement		
Jabodetabek	184	68
Outside Jabodetabek	85	32
Take Home Pay		
UMR - 10.000.000	162	60
> 10.000.000	24	9
Don't want to answer	83	31

Quantitative respondent demographic data shows that the majority of respondents are male (53%), are Generation Z with a percentage (51%), have a working period in the company for 1-5 years (48%), have a working period in the retail industry for 1-5 years (44%), are placed in Jabodetabek (68%), and have a take home pay of UMR-10,000,000 (60%).

Table 2. Informants Table

	Years of Birth	Tenure in Retail Industry	Employment Status
Informan C	1994	2 years	Contract
Informan L	1997	1 year	Contract
Informan I	1999	1 year	Contract
Informan D	1980	6 years	Contract
Informan P	1995	3 years	Contract

Participants in the qualitative additional data collection consisted of 5 participants who were also part of the quantitative survey respondents. The five participants were selected based on survey answers that appeared to contrast with the whole. In addition, participants were also selected as representatives of each birth year group and each tenure in retail industry to obtain more varied results. However, from the results of this qualitative data collection, there will be a potential bias with the overrepresentation of contract workers.

Data Analysis

1. Validity and Reliability

Based on the results of the validity and reliability tests conducted using SmartPLS 3.0 software, there were several questionnaire items from previous studies that did not meet the validity criteria in this study so they had to be removed from the test. The outer model analysis test was conducted by testing construct validity, convergent validity by looking at the AVE value, discriminant validity by looking at the Fornell-Larcker value, internal consistency by looking at composite reliability.

Convergent validity is intended to see the extent to which indicators can measure a construct in the study by looking at the average variance extracted (AVE) value with each item that must exceed 0.5 so that it can be said that each questionnaire item for each dimension or construct is considered valid (Henseler et al., 2009). Composite reliability is intended to assess the internal reliability of a construct in the research model and shows the extent to which indicators in the construct can measure a phenomenon consistently (Henseler et al., 2009). Composite reliability is considered fulfilled if it is above 0.7.

Table 3. Convergent Validity dan Composite Reliability

Construct	AVE (>0,5)	CR (>0,7)
Perceived Organizational Support	0,807	0,967
Psychological Contract	0,645	0,944
Employee Value Proposition	0,644	0,964
Intention To Stay	0,897	0,944

Based on the findings above, it can be seen that all indicators in each construct of this study have met the internal consistency criteria based on the AVE figures which are all above 0.5. In addition, all indicators in each construct of this study have met the internal consistency criteria based on the composite reliability figures which are all above 0.7.

Table 4. Fornell-Larcker Criterion

	Employee Value Proposition	Intention To Stay	Perceived Organizational Support	Psychological Contract
Employee Value Proposition	0,800			
Intention To Stay	0,660	0,946		
Perceived Organizational Support	0,751	0,553	0,899	
Psychological Contract	0,788	0,571	0,764	0,832

Based on the findings above, it can be seen that all constructs in this study have met the discriminant validity criteria based on the Fornell-Larcker criterion because the square root value of AVE for each construct is greater than its correlation with other constructs.

Table 5. Cronbach’s Alpha

Construct	Cronbach’s Alpha
Perceived Organizational Support	0,960
Psychological Contract	0,935
Employee Value Proposition	0,960
Intention To Stay	0,882

From the table above, it can be seen that the Cronbach's alpha value has a range between 0.882 to 0.960 which significantly meets the minimum value of 0.60.

2. Goodness of Fit

R-Square shows how the research model can represent the phenomena that occur and the extent to which the independent variables can explain the dependent variables.

Table 5. R-Square

	R Square	R Square Adjusted
Intention To Stay	0,488	0,482
Perceived Organizational Support	0,598	0,596
Psychological Contract	0,654	0,653

The R-Square value results on ITS show a figure of 0.482 which explains that the independent variable is able to explain 48% of the variation in ITS, while the remaining 52% is explained by other variables not included in the research model. The R-Square value on POS shows a figure of 0.596 which means that the independent variable is able to explain 59% of the variation in the POS variable, while the remaining 41% is explained by other variables not included in the research model. The R-Square value on PC shows a figure of 0.653 which means that the independent variable is able to explain 65% of the variation in the PC variable, while the remaining 35% is explained by other variables not included in the research model.

The R-Square value shows how well the independent variables in the model explain the variation in the research results. In this section, 48% of the variation in the ITS variable can be explained well by the model. This means that half of what influences the desire of frontline workers to survive can be explained by the variables studied, while the opposite is explained by other factors outside the research model. Likewise, 59% of the variation in the POS variable and 65% of the variation in the PC variable can be explained by the model. This means that the model used has high power to explain the ITS phenomenon, which still provides room for other factors not studied in this study.

The conclusion is that the research model is quite strong in explaining the dependent variable, especially on Perceived Organizational Support and Psychological Contract because it has a value of more than 50% of its variation explained by the variables in the model.

3. Hypothesis Testing

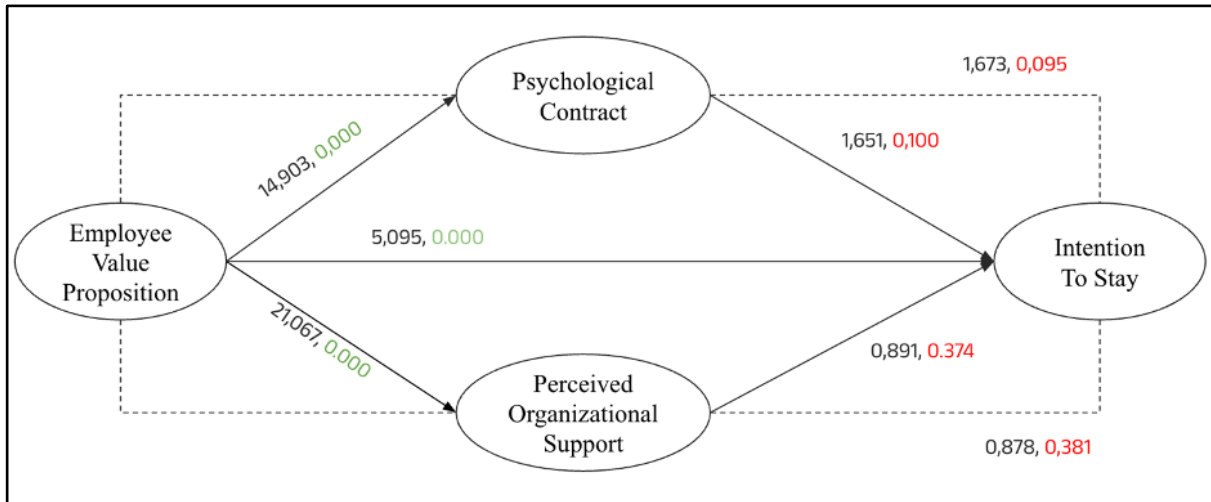


Figure 2. Hypothesis Test Results

Table 5. P-Value and T-Statistic

Hypotheses	Variables		Decision
	P-Value	T-Value	
H1 : EVP → ITS	0,000	5.095	Significant
H2 : EVP → POS	0,000	21.067	Significant
H3 : POS → ITS	0,891	0.374	Not Significant
H4 : EVP → PC	0,000	14.903	Significant
H5 : PC → ITS	0,100	1.651	Not Significant
H6 : EVP → PC → ITS	0,095	1.673	Not Significant
H7 : EVP → POS → ITS	0,381	0.878	Not Significant

The figure above shows the results of hypothesis testing which are divided into two, namely the direct influence hypothesis and the mediation influence. For the direct influence, there are three hypotheses that are proven to have a significant influence, namely the EVP which has a direct and significant effect on PC (t-value: 14.903), POS (t-value: 21.067), and ITS (t-value: 5.095). This shows that the EVP has a direct and significant influence on the three variables, thus supporting H1, H2, and H4.

However, the influence of PC on ITS shows that there is an insignificant influence with a t-value of 1.651. The figure is close to the critical value (1.645) indicating that there is an indication of influence but not significant. The influence between the variables POS and ITS is also not significant with a t-value of 0.891. This shows that the influence between PC and POS is not significant, thus rejecting H3 and H5.

Furthermore, for the indirect influence hypothesis, it can be seen that the results of the PC mediation on the influence of EVP and ITS show a t-value of 1.673. This figure is close to the critical value (1.645) which means that there is an indication of influence but not strong enough with a tighter level of confidence (95% confidence). These results will be different if done with a looser level of confidence (90% confidence). In addition, the results of the POS mediation on the influence of EVP and ITS show a t-value of 0.878 (<1.645). This figure shows that POS cannot mediate the influence between EVP and ITS. Therefore, both of these results reject H6 and H7.

From the hypothesis testing, it can be concluded that EVP has a direct and significant influence on the other three variables (PC, POS, ITS), which indicates that the transactional aspects that are the focus of EVP can improve the fulfillment of the company's promises to workers (through PC), increase the signal of support and appreciation from the company to workers (through POS), and increase the intention of workers to stay in the company (through ITS). However, for relational things such as PC and POS do not have a significant effect on the desire of workers to stay when compared to transactional things contained in EVP.

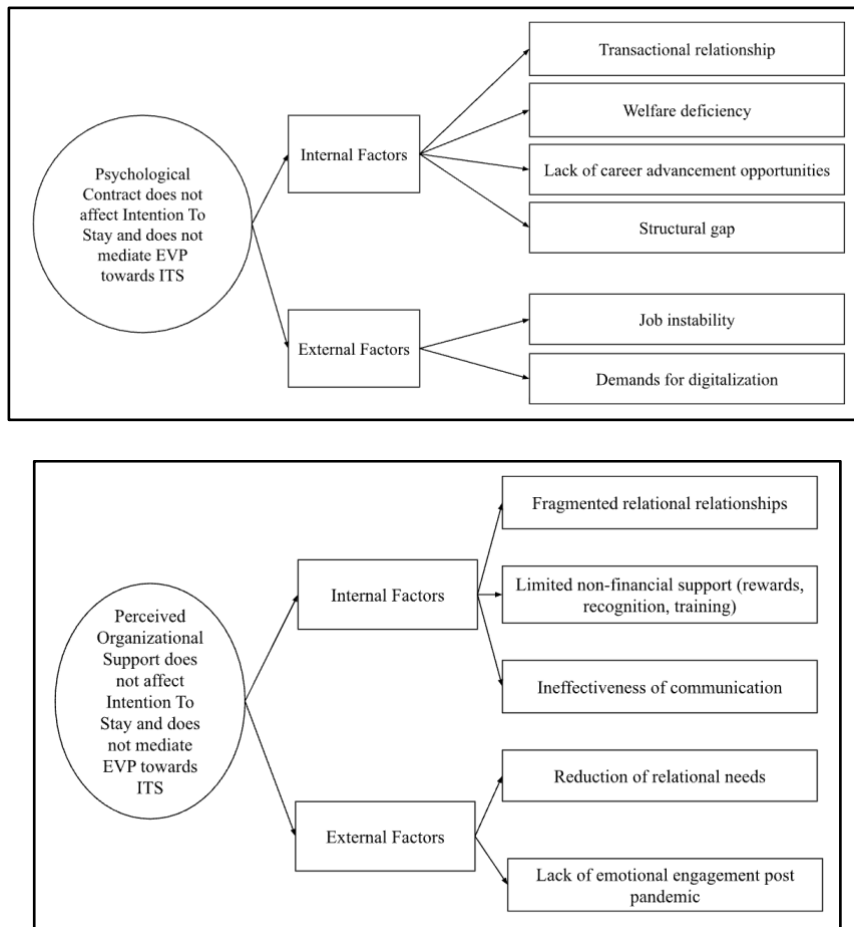


Figure 3. Qualitative Analysis Mind Map

From the mind map above, it can conclude two big themes ;

(1) PC has a weak contribution to ITS and cannot mediate the relationship between EVP and ITS caused by the transactional nature of the frontliner's relationship with the company, increased competence and workload due to digitalization, the company's lack of ability to provide welfare in the form of relational rewards, and the very large distance between the company and the frontliner. This theme concludes that frontliners prioritize transactional rewards (salary) over relational relationships such as PC and POS.

"So, for instance, if I'm making a lot of sales, I'd rather just focus on earning money than on showing my face around. Money is more important to me because, in my opinion, that kind of relationship-building isn't important." (Interview, Informant C, 2025).

(2) The minimal contribution of POS to ITS and the inability to mediate the relationship between EVP and ITS caused by the relationship that is established only with superiors and not with the company, lack of company support in the form of relational rewards, poor company communication towards frontliners, frontliners' perceptions that do not consider relational relationships as a necessity, and lack of emotional attachment due to the global pandemic. This theme concludes that there is a fragmented relationship between the company and frontline workers, so that relational relationships such as POS and PC are not felt by frontline workers.

"I mean, we see our boss every single day. We rarely interact with the people from the corporate office, and the way we communicate isn't the same, you know? So, like, an emotional bond with the people at the office? It feels like that just doesn't exist." (Interview, Informant L, 2025).

4. CONCLUSION

This study focuses on the important role of EVP in influencing the intention to stay of retail frontliners in Indonesia, by showing significant results between the two variables. EVP includes tangible and intangible benefits such as competitive wages, flexible and fair working hours, and a supportive work environment, which make these variables crucial factors in retaining retail workers. Unlike PC and POS which are relational factors, EVP is directly aimed at fulfilling transactional influences with retail frontliners. Given the characteristics of retail frontliners who tend to be temporary, focus on results, and prioritize immediate benefits over long-term commitments, EVP is one of the most significant aspects of talent management to retain retail frontliners.

The interesting thing about this study is that PC and POS do not affect the intention to stay in the context of retail frontliners. This is in contrast to previous studies that showed the influence of psychological contracts and POS on workers' commitment to stay in the company. Likewise, the POS variable does not have a significant effect on the intention to stay. Several previous studies have emphasized that POS is an important factor in retaining workers, but this study shows a limited effect on the retail industry. Retail frontliners have very operational jobs with a high level of transactional and they work in a very hierarchical work environment. This creates minimal interaction between retail frontliners and the overall structure of the company, so that the support provided by the company is not felt much by the frontliners when compared to things that are transactional.

These results emphasize the importance of involving EVP in the characteristics of retail frontliner workers. In addition, digitalization in retail frontliner operations also results in changes in the composition of frontliner jobs so that they require companies to focus more on transactional rewards to retain them in their jobs. Therefore, it is important for retail companies to be able to recognize external and internal factors that influence the working conditions of retail frontliners, as well as understand the transactional elements contained in EVP as the most effective factor in retaining retail frontliners compared to the relational elements contained in PC and POS. Retail companies can also use EVP as a competitive advantage that can benefit the company's position in the market. Emphasis on transactional benefits that can meet the needs and expectations of retail frontliners (competitive wages and flexible working hours) in the recruitment process is expected to attract high-quality candidates while retaining frontliner workers who have joined. In other words, EVP that is tailored to the needs of frontliners can be an effective differentiator between the company and its competitors.

The limitation of this study only focuses on frontliners in the retail industry, where the results may be different for frontliners in other industries, such as banking, hospitality, and so on. The focus of the study is also only on frontliner workers, where the research findings may be different if targeting other workers, such as those who work at the head office (backliner) considering their position in a structure that is closer to the company, allowing relational things such as PC and POS to be created better. Technically, the limitation of this study is the absence of data collected regarding the employment status of frontliners (full-time or contract workers).

Future research is expected to focus on identifying more specific transactional elements contained in the EVP that have the most significant impact on employee retention, considering different cultural characteristics and organizational settings. Future research is also expected to investigate the role of PC and POS in the context of digital transformation in the retail industry to see how these relational aspects can be adapted to the challenges of the modern workforce.

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