# Factors Affecting Employee Retention in Lao's Public Sectors: A Preliminary Investigation

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# Abstract

This study investigates the key factors influencing employee retention in Laos's public sector, focusing on core administrative institutions including the Ministries of Planning and Investment, Foreign Affairs, Home Affairs, and the Secretariat of the National Assembly. Using quantitative data collected from 202 civil servants via online surveys, the research applies descriptive and correlational analysis to identify patterns and predictors of employee retention. The findings indicate that demographic characteristics such as age, gender, and homeownership have limited impact on retention decisions. Instead, job-related elements including the work environment, promotion opportunities, team size, and organizational complexity—significantly affect retention outcomes. High job complexity is associated with greater turnover, while stable employment, customized benefits, and career advancement opportunities are strong incentives for employees to remain. Organizational commitment, particularly alignment with institutional goals and values, emerged as a critical retention driver, whereas regulatory frameworks and personal responsibilities were found to have minimal influence. Job satisfaction and perceived stability outweighed tenure in predicting retention intentions. The study highlights the importance of clear communication, professional development pathways, and a supportive work culture in reducing employee uncertainty. For improved retention, policymakers and public sector leaders are encouraged to prioritize strategic investments in career growth, compensation, and workplace improvements to build a more stable, motivated, and committed workforce.

Keywords: Employee, Factors, Lao PDR, Retention.

## INTRODUCTION

This research aims to explore the factors affecting employee retention in Laos's public sector through a preliminary investigation. Employee retention is a critical issue faced by organizations worldwide, and the public sector in the Lao People's Democratic Republic (Lao

PDR) is no exception. The ability of public sector organizations to attract and retain competent employees is essential for achieving organizational goals and delivering public services effectively (World Bank, 2014). Employee retention has become a pressing concern in Lao PDR, as high turnover and difficulties in retaining skilled employees have been observed across various government agencies (World Bank, 2010). The public sector plays a vital role in national development by delivering essential services, including healthcare, education, and public administration. However, retaining skilled employees remains a significant challenge due to factors such as low wages, limited career progression, poor working conditions, insufficient employee engagement, and difficulties in maintaining work-life balance (Crosby, 2014). Gomez (2023) highlights the challenges of retaining skilled employees in the public sector, emphasizing financial constraints, organizational rigidity, and political influences as key factors affecting retention. Similarly, research conducted by the World Bank (2014) identifies workforce shortages and uneven distribution of employees as major concerns in Laos's public sector. These issues are particularly pronounced in rural areas, where limited government quotas for recruitment and placement exacerbate the problem.

Despite the critical importance of employee retention for organizational success, Lao's public sector faces significant challenges in maintaining workforce stability. Poor working conditions, including insufficient resources, outdated equipment, and a lack of managerial support, contribute to a challenging work environment for public sector employees (Giauque et al., 2019). These factors can lead to increased stress and higher turnover rates, making it difficult for organizations to retain skilled professionals. Additionally, a lack of employee engagement significantly contributes to retention challenges in the public sector. Low motivation and engagement levels negatively impact job satisfaction, leading to higher turnover rates (Tran et al., 2020). Strengthening organizational commitment can play a crucial role in addressing these issues and improving workforce stability. Employees who feel disconnected from their work or organization are more likely to seek new opportunities elsewhere. Strengthening engagement and organizational commitment is essential for improving retention and ensuring a motivated workforce in the public sector (ModernGov, 2022). Implementing strategies to enhance employee engagement—such as recognizing achievements, involving employees in decision-making, and fostering a positive organizational culture—can significantly improve retention rates in the public sector. Creating a supportive and motivating work environment encourages employees to remain committed to their roles and reduces turnover (Hughes, 2021). The high workloads and rigid schedules in many organizations create significant challenges for employees trying to balance their professional and personal lives. Research suggests that workplace demands, coupled with limited flexibility, contribute to increased stress and turnover intentions, making it harder for employees to maintain work-life balance (Giauque et al., 2019). Therefore, to address these issues, organizations must acknowledge the importance of work-life balance and implement strategic policies that help employees effectively manage their professional and personal responsibilities. Creating a supportive and flexible work environment fosters employee well-being, engagement, and long-term commitment.

# **CONCEPTUAL**

The reviewed literature identifies a diverse range of factors that influence employees' decisions to stay with or leave an organization. In the context of Laos's public sector, these findings suggest that strategic human resource management (HRM) practices are essential for promoting workforce stability. This study conceptualizes employee retention as a multifaceted outcome influenced by several key workplace dimensions: coworker relationships, organizational climate, compensation packages, job satisfaction, organizational commitment, and opportunities for professional growth and advancement. These elements are treated as

independent variables, with employee retention serving as the dependent variable. The underlying premise of the conceptual framework is that positive workplace conditions and effective HRM practices significantly enhance retention outcomes. Employees are more likely to remain with their organization when they experience supportive peer interactions, a positive work environment, equitable compensation, personal fulfillment in their roles, alignment with organizational values, and clear career development pathways. Conversely, the absence of these factors may contribute to dissatisfaction and increased turnover. This study's conceptual model is informed by the work of Tadesse (2018) and Shakeel and Butt (2015), whose research provides foundational insights into the drivers of employee retention. The proposed relationships among these variables are visually represented in Figure 1.

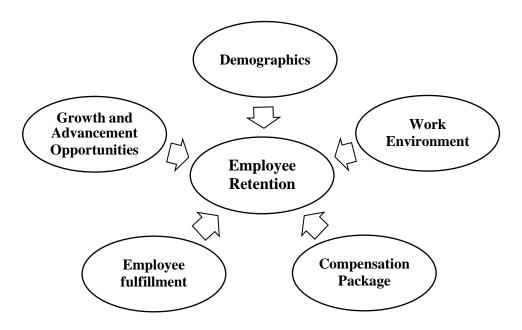


Figure 1: Key factors and employee retention in Laos' public sector.

Source: Author's developed from "Factors Affecting Employee Retention in Ethiopian Public Organizations", Mekonnen Tadesse, W. (2018). *Journal of Strategic Human Resource Management*, 7(3), 22-32; and "Factors Influencing Employee Retention: An Integrated Perspective", Shakeel, N., & Butt, S. (2015). *Journal of Resources Development and Management*, 6, 32-49.

## **Demographics**

Employee retention is influenced by various demographic characteristics, including age, gender, marital status, educational background, and tenure. Research highlights notable trends in how these factors shape workforce stability, offering valuable insights for organizational decision-making. Age plays a significant role in employee retention, with studies showing mixed findings. Borman & Dowling (2008) conducted a meta-analysis on teacher attrition and retention, revealing that older teachers are more likely to exit the workforce compared to their younger counterparts, with additional factors such as salary, school conditions, and student demographics influencing retention. Conversely, Agyeman & Ponniah (2014) found a positive but statistically insignificant relationship between age and retention, suggesting that older employees may exhibit greater job stability, but age alone is not a decisive factor. Similarly, Subedi et al., (2023) found a significant correlation between age and employee retention in

Nepalese commercial banks, indicating that older employees tend to remain in their positions longer, reinforcing the importance of demographic influences on workforce stability in the banking sector. Gender differences also shape retention dynamics. Jepsen & Rodwell (2013) explored how perceptions of procedural, interpersonal, and informational justice influence job satisfaction and organizational commitment, demonstrating that men and women experience organizational justice differently, leading to varying impacts on workplace retention. Meanwhile, Chivandire (2017) identified marital status as a significant factor influencing academic staff retention in Zimbabwean universities. Tenure is widely recognized as a key predictor of employee stability, contributing to long-term workforce retention in higher education institutions. Iqbal (2010) examined the impact of demographic factors on organizational commitment, identifying tenure as a crucial determinant of workforce stability, with findings suggesting that longer service duration enhances employees' commitment, while higher education levels may correlate negatively with commitment. Similarly, Alli (2023) investigated the relationship between demographic and organizational factors and employee retention among healthcare professionals in Southwest Nigeria, confirming that tenure plays a vital role in workforce stability, with longer-serving employees exhibiting greater organizational commitment.

# **Workplace Atmosphere**

The workplace atmosphere, commonly referred to as the work environment, encompasses physical, social, and psychological factors that shape employees' daily experiences. These elements influence organizational culture, employee engagement, and overall job satisfaction (Schein, 2016). A positive work environment enhances productivity, improves employee satisfaction, and reduces workplace stress by fostering a culture of support, transparency, and engagement. Organizational climate plays a crucial role in shaping employees' daily experiences and overall well-being (Ashkanasy et al., 2011). Key elements contributing to a thriving work environment include leadership style, organizational culture, workplace design, and interpersonal relationships, all of which significantly impact employee satisfaction and organizational success. A well-structured workplace fosters engagement, productivity, and long-term retention (Schneider et al., 2017; Kuenzi & Schminke, 2009). Leaders who prioritize employee well-being and inclusivity cultivate a workplace culture characterized by respect and psychological safety. By fostering an environment where employees feel safe to express ideas and take risks, organizations can enhance learning, collaboration, and overall performance (Edmondson, 1999). Furthermore, a well-designed physical workspace incorporating proper lighting, ventilation, and ergonomic office setups plays a crucial role in enhancing employee well-being. Thoughtful workplace design fosters comfort, productivity, and reduced stress, contributing to a healthier and more engaged workforce (Danna & Griffin, 1999). Understanding these factors allows policymakers and organizational leaders to craft targeted strategies aimed at enhancing employee retention in Laos' public sector.

# **Compensation Package**

A compensation package includes both financial and non-financial rewards provided to employees in exchange for their work. It encompasses salary, bonuses, benefits, incentives, and recognition programs, all of which contribute to employee motivation, performance, and job satisfaction (Gerhart & Fang, 2015; Judge et al., 2017). Research indicates that fair and competitive compensation is a critical factor in employee retention and satisfaction, serving as one of the most powerful motivators in the workplace. While employees may downplay the importance of pay in surveys, empirical evidence suggests that compensation plays a central role in workforce stability and engagement (Rynes et al., 2004). Beyond salary, benefits such as health insurance, retirement plans, paid leave, and performance-based bonuses play a crucial

role in employee well-being and job satisfaction. Organizations that prioritize comprehensive compensation packages foster higher commitment, productivity, and retention (Pfeffer, 1998; Tsui et al., 1997). Ensuring equity in compensation fosters trust and commitment among employees, as perceptions of unfair pay often lead to dissatisfaction and increased turnover. Employees evaluate fairness based on comparisons with peers, and organizations that prioritize transparent and equitable compensation structures can enhance workplace stability and engagement (Adams, 1965; Colquitt et al., 2001). Additionally, beyond financial compensation, non-monetary benefits such as flexible work arrangements, professional development opportunities, and recognition programs play a vital role in enhancing employee motivation and job satisfaction. Organizations that prioritize these high-involvement work practices foster greater commitment, productivity, and workforce stability (Guthrie, 2001). By addressing compensation-related challenges and implementing strategic policies that improve both financial and non-financial rewards, Laos' public sector can enhance employee retention and build a more sustainable workforce.

# **Employee Fulfillment**

Employee fulfillment, also referred to as job satisfaction, reflects an individual's sense of purpose and contentment with their work. According to Hackman & Oldham (1976), factors such as meaningful tasks, autonomy, and constructive feedback play a crucial role in fostering motivation and engagement in the workplace. Recent research expands on this concept, emphasizing the importance of workplace happiness and the alignment of personal and organizational goals in enhancing employee well-being. Organizations that prioritize employee satisfaction and engagement experience higher productivity, lower turnover, and improved overall performance (Krekel et al., 2019). Employees who perceive their work as meaningful are more likely to exhibit higher engagement, creativity, and productivity. Workplace interactions and social cues shape employees' sense of purpose, influencing their motivation and commitment (Wrzesniewski et al., 2003). Furthermore, frequent recognition and feedback serve as essential drivers of job satisfaction, as employees who feel valued for their contributions tend to demonstrate greater engagement, motivation, and creativity. Organizations that prioritize consistent acknowledgment foster a supportive and highperforming work culture (Amabile & Kramer, 2011). Beyond recognition, providing employees with opportunities for skill development and career advancement enhances workplace fulfillment and fosters job satisfaction, engagement, and overall well-being. Research indicates that professional growth plays a vital role in employee retention and organizational success, leading to higher productivity and workforce stability (Harter et al., 2002). A fulfilling work environment not only motivates employees but also reduces burnout, resulting in higher performance and sustained job commitment. Employees who experience vigor, dedication, and absorption in their roles are more likely to remain engaged and productive, reinforcing the importance of workplace support and meaningful job design (Bakker & Demerouti, 2008). Locke (1976) argues that organizations prioritizing employee well-being through meaningful work assignments, recognition programs, and career growth opportunities cultivate a more committed and motivated workforce.

# Loyalty to the Organization

Organizational commitment, often described as loyalty to the organization, reflects an employee's dedication and attachment to their employer. Meyer & Allen (1991) identify three distinct forms of commitment affective, continuance, and normative each shaping an employee's motivation to stay within an organization. Understanding these components helps organizations develop strategies to enhance employee retention and engagement. A strong organizational commitment plays a crucial role in reducing turnover rates, enhancing

performance, and reinforcing workplace culture. Employees who feel deeply connected to their organization are more likely to exhibit higher engagement, motivation, and productivity, contributing to long-term workforce stability (Mathieu & Zajac, 1990; Riketta, 2002). Organizational commitment consists of three primary types: Affective commitment an emotional attachment to the organization, Continuance commitment driven by financial or security-related considerations, Normative commitment influenced by a sense of obligation to remain with the organization. Understanding these dimensions helps organizations develop effective strategies to enhance employee retention and engagement (Allen & Meyer, 1996; Cohen, 2007). Employees who feel valued and supported by leadership tend to demonstrate higher levels of commitment and long-term loyalty. Organizations that foster perceived organizational support create positive work environments, strengthening employee engagement, retention, and overall workplace stability (Eisenberger et al., 1986). Key factors influencing employee loyalty include job security, career development, and workplace culture. Research suggests that organizations that provide stability, professional growth opportunities, and a positive work environment foster stronger employee commitment and retention (Samat et al., 2020; Magaji et al., 2021). Additionally, fairness, transparency, and employee recognition are essential in strengthening workplace commitment. Transparent communication fosters trust and engagement. Structured recognition programs enhance employee motivation and retention. Clarity in leadership and acknowledgment of contributions create a highperforming workforce. Organizations that prioritize these elements enhance organizational stability and long-term success (Rahaman, 2023; Weston Smyth, 2024). Furthermore, Krekel et al. (2019) argue that a highly committed workforce is strongly associated with increased job satisfaction, productivity, and organizational stability. Their research suggests that employee engagement and well-being contribute to enhanced performance and retention, ultimately supporting long-term organizational success.

# **Growth and Advancement Opportunities**

Growth and advancement opportunities encompass training, skill development, career progression, and leadership initiatives, all of which are essential for enhancing employee capabilities. Structured learning and development programs play a vital role in long-term career success and workplace engagement, ensuring employees remain motivated, committed, and adaptable in the face of evolving professional challenges (Ameziane, 2023). Research highlights that investment in employee development programs leads to lower turnover rates and improved workplace morale. Organizations that offer training, skill-building opportunities, and professional growth initiatives foster greater employee commitment and engagement, contributing to long-term workforce stability (Bartlett, 2001). Career growth initiatives including mentorship programs, leadership training, and educational support are critical to employee retention. Studies suggest that structured development initiatives enhance engagement, motivation, and long-term organizational commitment, helping cultivate a highperforming and resilient workforce (Forbes Business Council, 2021; SHRM, 2022; Ilmkidunya, 2025). Beyond formal training, professional development opportunities provide employees with a sense of purpose, allowing them to refine their skills while pursuing career aspirations. Continuous learning initiatives contribute to higher workplace engagement, ultimately supporting organizational success. Companies that prioritize employee growth and structured development programs experience higher retention rates and workplace satisfaction (Wharton Online, 2023). Moreover, employees who receive consistent training and growth opportunities are more likely to drive innovation and enhance workplace performance. Research suggests that organizations investing in structured development programs see higher employee engagement, creativity, and long-term commitment, helping ensure a resilient and adaptable workforce (Forbes Business Council, 2025). By prioritizing growth and advancement

opportunities such as professional development initiatives, leadership programs, and structured career pathways Laos' public sector can foster a highly skilled, motivated, and engaged workforce. Investing in continuous learning and career progression strengthens employee retention, workplace stability, and long-term organizational success, ensuring a resilient and committed workforce.

#### **METHOD**

#### Data

This study investigates the various factors that influence employees' decisions to stay in their positions within public sector organizations in the Lao PDR. To gather comprehensive insights, data were collected from a sample of 202 staff members who work in four key administrative departments: the Ministries of Planning and Investment, Foreign Affairs, Home Affairs, and the Secretariat of the National Assembly. These departments were selected to ensure a diverse range of perspectives and to capture the variety of work environments within the government sector. The research emphasizes the importance of ensuring the data's reliability, suitability, and adequacy, which are critical for conducting a thorough and robust analysis. The research employs online survey questionnaires as the primary tool for collecting quantitative data with the goal of identifying the key factors that influence employee retention (Fowler, 2013). The questionnaires were carefully designed to include closed-ended questions, enabling the collection insights quantitative data (Bryman, 2016). The closed-ended questions allow for the analysis of numerical data, which can be easily measured and quantified (Creswell, 2014). To analyze the collected data, the study used descriptive crosstab, and correlation research methods (Field, 2013). This method helped summarize and organize the data, while correlation analysis was employed to examine the relationships between various factors and employee retention. Additionally, figures and graphs were incorporated into the study to visually represent the data and make the results more accessible and understandable (Tabachnick & Fidell, 2013). The analysis was based on a sample size of 202 participants, ensuring a solid and representative foundation for drawing conclusions. Since this study represents the first attempt to investigate the specific nature of the data.

#### Measure

Demographics were measure using 9 items. These items are typically used to collect basic information about the individuals participating in the study, often to better understand patterns within specific groups. Each demographic item usually serves the following purposes: age, gender, etc., Workplace Atmosphere or Working Environment were measure using 4 items. These items focus on the environment in which employees work, which can heavily influence job satisfaction, motivation, and performance. Compensation Package were measure using 3 items. These items assess how well the organization meets employees' financial and benefit expectations. Employee Fulfilment or job satisfaction were measure using 6 items. These items explore how content employees are with their roles and working conditions. Loyalty to the organization or Organization Commitment were measure using 3 items. These items assess the employee's emotional attachment and commitment to the organization. Growth and Advancement Opportunities were measure using 3 items. These items gauge the opportunities employees have for career development and progression. Retention were measure using 1 item. This item measures the employee's intent to remain with the organization in the future. (Each item's measures can be seen in the table of findings).

## **FINDINGS**

# **Employee Decisions (Retention)**

Key findings employee decisions on retention are presented in Table 1, which provides descriptive statistics of employees' choices regarding their employment status, offering insight into retention trends within the organization.

Table 1: Descriptive Statistics of key employee decisions.

Decision	Statistics		
Decision	Frequency	Percent (%)	
Stay	79	39,1	
Leaving	37	18,3	
Uncertain	86	42,6	
Total	202	100	

Table 1 presents the descriptive statistics of key employee decisions regarding retention. The results indicate that 39.1% (79 employees) chose to stay in their positions, while 18.3% (37 employees) decided to resign. Notably, the largest group, 42.6% (86 employees), were uncertain about their decision. These findings suggest that while a significant proportion of employees remain committed to their roles, a considerable number are either undecided or considering leaving.

# **Demographic Indicators**

Key findings the relationship between demographic factors and employee retention. Various factors, such as age, gender, marital status, family responsibilities, housing status, education level, and job-related training, can influence an employee's decision to stay, resign, or remain uncertain about the employment in Lao's public sector. Table 2 presents key demographic indicators related to employee retention, analyzing their significance in affecting employee decisions.

Table 2: Key demographic indicators related to employee retention (N=202)

Demographic	Highly Affected Employee (N)				a:
	Influencing Factors	Stay	Resign	Uncertain	- Sig.
Age	35-44 years	50	17	44	.078
Gender	Male	49	24	45	.292
Marital status	Married	62	28	64	.904
Look After	3-5 member	42	17	42	.458
Residentials	Own house	52	24	50	.607
Education level	Bachelor	44	20	47	.338
Major Education	Business Administration	34	8	25	.097
Training after working	Yes	70	28	68	.145
Job related education	Related	27	20	50	.011

The findings reveals several demographic trends in employee retention. Employees aged 35-44 years show a relatively high tendency to stay (50 employees) compared to those who resigned (17) or were uncertain (44), though the significance level (p = 0.078) indicates a weak statistical correlation. Gender does not show a strong effect (p = 0.292), with male employees evenly distributed across stay (49), resign (24), and uncertain (45) categories. Similarly, marital status (p = 0.904) and household size (p = 0.458) do not appear to have a major impact on retention. Employees who own a house are more likely to stay (52) than resign (24), but the significance level (p = 0.607) suggests no strong relationship. Education level, particularly having a bachelor's degree (p = 0.338), does not show a clear effect on retention, though employees with a Business Administration major have a slightly higher likelihood of staying (34) compared to those resigning (8) (p = 0.097). Job-related factors provide more significant insights. Employees who received training after employment are more likely to stay (70) than resign (28), but the relationship is not strongly significant (p = 0.145). However, employees whose education is directly related to their job show a significantly different trend, with only 27 staying, 20 resigning, and 50 unsure, indicating a statistically significant correlation (significant level p = 0.011).

## **Work Environment**

Factors such as workplace policies, relationships with colleagues, and access to resources can determine whether employees choose to stay, resign, or remain uncertain about their employment. Table 3 presents key work environment indicators and their impact on employee retention in Lao's public sector.

Table 3: Key	work enviro	onment indicator	rs related to	employ	ee retention (	N=202
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Work Environment	Highly Affected	Employee (N)		Sig.	
	Stay Resign Uncertain		Uncertain	0	
Overall workplace	Staff promote (27)	Working system complex (10)	Workplace Solidity (10)	0.000	
Employee feeling	Yes (71)	No (22)	Yes (69)	0.000	
Number of co-worker (> 20 members)	54	15	49	0.009	
Using material properly	Yes (44)	No (23)	No (46)	0.177	

The finding highlights several significant relationships between the work environment and employee retention. The overall workplace environment shows a strong correlation with retention (p = 0.000), with employees who perceive staff promotions positively more likely to stay (27 employees), whereas those who view the system as complex tend to resign (10), and those who perceive workplace solidity remain uncertain (10). Employee feelings toward their workplace also demonstrate a highly significant relationship with retention (p = 0.000). A majority of employees who feel positively about their workplace choose to stay (71), while those who feel negatively are more likely to resign (22). However, a large number of employees who feel positively still remain uncertain (69), indicating potential concerns about long-term career prospects despite overall workplace satisfaction. The number of co-workers also influences retention (p = 0.009). Employees working in larger teams (more than 20 members) are more likely to stay (54), compared to 15 who resigned and 49 who remain uncertain. This suggests that collaboration and social support in the workplace may contribute to retention.

However, proper use of materials and resources does not show a strong correlation with retention (p = 0.177). While 44 employees who use materials properly choose to stay, 23 resign, and 46 remain uncertain, the lack of statistical significance suggests that resource management may not be a primary factor influencing employee decisions.

# **Compensation Package**

One of the key factors influencing retention is the compensation package offered to employees. This study investigates how various elements of the compensation package such as job stability, benefits tailored to employee needs, and job security affect employee retention in the Lao public sector. Table 4 presents key compensation indicators and their impact on employee retention in Lao's public sector.

Table 4: Key compensation indicators related to employee retention (N=202)

Compensation package	Highly Affected	l Employee (N)		Sig.
	Stay	Resign	Uncertain	
Job stability	Stable (39)	Neutral (16)	Stable (43)	0.000
Benefits tailored to needs	Yes (54)	No (31)	Yes=No (43)	0.000
Job security as a factor in continuing employment	Strongly important (65)	Neutral (22)	Neutral (42)	0.000

The findings in Table 4 highlight significant correlations between compensation packages and employee retention. Three key compensation indicators were found to strongly influence employee decisions: Job Stability: Employees who viewed their jobs as stable were more likely to stay (39), while those with a neutral perspective were uncertain (16), and those with an unstable view were more likely to resign (43). The statistical significance of this factor is very strong (p = 0.000), indicating that job stability is a critical determinant of retention. Benefits Tailored to Needs: Employees who received benefits tailored to their needs were more likely to stay (54), whereas those who did not perceive benefits as tailored were more likely to resign (31). Interestingly, the uncertainty regarding benefits (43) showed no significant difference. The results were statistically significant (p = 0.000), suggesting that personalized benefits have a strong impact on retention. Job Security as a Factor in Continuing Employment: Job security was identified as a strong factor for employees' decisions to stay in their roles. Employees who considered job security as strongly important were more likely to stay (65), while those with a neutral stance were more uncertain (22), and some were less inclined to stay (42). Again, the statistical significance is noteworthy (p = 0.000), emphasizing the importance of job security in retention decisions.

#### **Employee Fulfillment**

This section explores the relationship between employee fulfillment and retention within the Lao public sector. It focuses on various factors such as length of time worked, current position, satisfaction with the current job, and the factors contributing to employee productivity. These variables are assessed to determine their influence on whether employees decide to stay, resign, or remain uncertain about their employment. Table 5 presents key employee fulfilment indicators and their impact on employee retention in Lao's public sector.

Table 5: Key employee fulfilment indicators related to employee retention (N=202)

Employee Fulfillment	Highly Affected Employee (N)				G: -	
	Influencing Factors	Stav Resign		Uncertain	Sig.	
Length of Time						
Worked in the Public	> 10 years	54	19	48	0.374	
Sector						
<b>Current Position</b>	Deputy division	29	24	40	0.036	
Present Terms of	> 6 years	30	23	32	0.215	
Position	> 0 years	30	23	32	0.213	
Years of Work Before	> 10 years	25	10	29	0.616	
<b>Assuming Position:</b>	> 10 years	23	10	2)	0.010	
Satisfaction with	Rating 1-10	Rating 8	Rating 7	Rating 8 (17)	0.000	
Current Job	Rating 1-10	$(24) \qquad (11)$		Rating 6 (17)	0.000	
Factors that Make						
Employees More	Work stable	30	13	48	0.015	
Productive:						

The findings in Table 5 provide insights into the connection between employee fulfillment and retention. The following are key observations: Length of Time Worked in the Public Sector: Employees with over 10 years of experience in the public sector were distributed across the categories, with 54 employees choosing to stay, 19 resigning, and 48 uncertain about their future. The significance value (p = 0.374) suggests that length of time worked does not significantly impact employee retention. Current Position: Employees in deputy division positions showed some correlation with retention. Specifically, 29 employees in this position chose to stay, 24 resigned, and 40 were uncertain. The p-value of 0.036 indicates that this factor significantly affects employee retention, with those in deputy division positions being more likely to experience uncertainty about their roles. Present Terms of Position: Employees who had been in their current position for more than six years were somewhat distributed across the three categories: 30 employees stayed, 23 resigned, and 32 were uncertain. However, the pvalue (0.215) indicates that the length of time in a current position does not significantly affect employee retention. Years of Work Before Assuming Position: Employees who had worked for more than 10 years before assuming their current position were relatively evenly distributed: 25 stayed, 10 resigned, and 29 were uncertain. The p-value of 0.616 shows that the number of years of prior work does not significantly impact retention decisions. Satisfaction with Current Job: Job satisfaction had a clear influence on retention. Employees who rated their job satisfaction as 8 out of 10 (24 employees) were more likely to stay, while those with lower ratings were more uncertain or likely to resign. The strong significance (p = 0.000) confirms that satisfaction with the current job is a critical factor influencing retention. Factors That Make Employees More Productive: Employees who considered work stability as a factor that makes them more productive were more likely to stay (30), while 13 resigned, and 48 were uncertain. The statistical significance (p = 0.015) highlights the importance of work stability in enhancing employee productivity and retention.

## **Organizational Commitment**

Key findings indicate that organizational commitment plays a significant role in employee retention. Factors such as the office regulatory environment, personal responsibilities affecting job ability, and dedication to organizational goals and values can all influence an employee's

decision to stay, resign, or remain uncertain about their future in the organization. Table 6 presents key organizational commitment indicators related to employee retention, analyzing their significance in affecting employee decisions.

Table 6: Key organizational commitment indicators related to employee retention (N=202)

Organizational Commitment Highly Affected Employee (N)					a:	
C	Influencing Factors	Stay	Resign	Uncertain	— Sig.	
Office Regulatory Environment	Yes	57	25	70	0.190	
Personal Responsibilities Affecting Job Ability	Yes	59	26	52	0.140	
Dedication to Organizational Goals and Values	Dedicated	39	14	42	0.038	

The analysis highlights a few key trends in organizational commitment and employee retention: Office Regulatory Environment: While the office regulatory environment shows a higher number of employees staying (57), resigning (25), or uncertain (70), the significance level (p = 0.190) suggests a weak correlation, meaning that it does not strongly influence retention decisions. Personal Responsibilities Affecting Job Ability: Similarly, personal responsibilities affecting job ability show a mild effect with 59 employees staying, 26 resigning, and 52 uncertain, but the significance level (p = 0.140) indicates a weak correlation as well. Dedication to Organizational Goals and Values: However, dedication to the organization's goals and values appears to have a more significant impact on retention. Employees who are dedicated to organizational goals show a higher tendency to stay (39), resign (14), or remain uncertain (42), and the significance level (p = 0.038) suggests a statistically significant effect on retention decisions.

## **Growth and Advancement Opportunities**

This finding show that growth and advancement opportunities are significant factors influencing employee retention in Lao's public sector. Opportunities for development, training, and career progression contribute to an employee's decision to stay, resign, or remain uncertain about their future in the organization. Table 7 presents key indicators related to growth and advancement opportunities, analyzing their impact on employee retention.

Table 7: Key organizational commitment indicators related to employee retention (N=202)

Growth and Advancement Opportunities	Highly Affected Employee (N)				
	Influencing Factors	Stay	Resign	Uncertain	Sig.
Opportunities for Development and Training	Yes	78	21	77	0.000
Training Attended in the Past Year:	Yes	73	23	70	0.000
Opportunities to Progress and Continue Working (to)	Yes	73	25	68	0.003

The analysis reveals significant trends in growth and advancement opportunities as they relate to employee retention: Opportunities for Development and Training: A high number of employees who had access to development and training opportunities chose to stay (78), with fewer resigning (21) or remaining uncertain (77). The significance level (p = 0.000) indicates a strong relationship between these opportunities and employee retention. Training Attended in the Past Year: Similarly, employees who attended training in the past year show a clear tendency to stay (73), with fewer resigning (23) or uncertain (70), and a significance level of (p = 0.000) suggests that training opportunities strongly influence retention decisions. Opportunities to Progress and Continue Working: Employees who had opportunities to progress and continue working in the organization also showed a higher likelihood of staying (73), while a smaller number resigned (25) or were uncertain (68). The significance level (p = 0.003) highlights a moderately strong correlation between career progression opportunities and employee retention.

# **DISCUSSION**

The findings indicate that multiple factors influence employee retention in Laos's public sector. While demographic characteristics such as age, gender, marital status, and homeownership do not have a strong impact, job-related education plays a significant role, as employees whose education aligns with their job roles often experience uncertainty regarding retention, potentially due to dissatisfaction or misalignment of expectations. The work environment is a crucial determinant, with factors like promotion opportunities, workplace sentiment, and team size affecting employees' decisions to stay, whereas workplace complexity and dissatisfaction contribute to higher resignation rates. Compensation packages, particularly job stability, tailored benefits, and job security, significantly shape retention outcomes, as competitive compensation encourages long-term commitment while inadequate job security increases turnover. Employee fulfillment, specifically job satisfaction and work stability, is more influential than tenure, reinforcing the importance of fostering a supportive and engaging work environment. Organizational commitment, particularly alignment with institutional goals and values, further enhances retention, as employees who strongly identify with their organization's mission are more likely to remain. Additionally, professional growth and advancement opportunities play a critical role in workforce stability, as employees with access to training, mentorship, and career development programs are more inclined to stay. Addressing these interconnected factors by improving workplace conditions, strengthening compensation packages, fostering engagement, and enhancing career development initiatives will be vital for reducing turnover and ensuring long-term workforce sustainability in Laos's public sector.

# **CONCLUSION**

The findings indicate that a substantial proportion of employees remain uncertain about their long-term career prospects in Laos's public sector. This widespread uncertainty suggests a need for improved communication, structured career development initiatives, and a clearer alignment between employees' expectations and organizational goals. Addressing this gap is crucial for fostering long-term employee commitment and reducing turnover rates. To mitigate uncertainty and strengthen retention, organizations must focus on creating a supportive and engaging work environment, expanding professional development opportunities, and enhancing organizational commitment. Strategies such as transparent career progression frameworks, effective leadership communication, and investment in employee well-being can significantly influence workforce stability. Additionally, refining compensation packages, improving job satisfaction through workplace culture enhancements, streamlining administrative processes, and fostering supportive team dynamics are essential for long-term employee retention. Public sector employers and policymakers should consider these factors

when shaping HR strategies to create a more stable and motivated workforce. By implementing these improvements, Laos's public sector can ensure greater employee satisfaction, organizational alignment, and long-term workforce stability, ultimately leading to higher productivity and more effective public service delivery.

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