

Sustainable Corporate Governance and the War for Talent: A Systematic Literature Review of the Engagement-Retention Nexus.

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ABSTRACT

The "War for Talent" paradigm has fundamentally shifted from competitive financial incentives to a holistic demand for alignment of ethical and sustainable values. This study aims to analyze the strategic role of Sustainable Corporate Governance (SCG) in enhancing talent retention strategies through its mediating role in employee engagement. Using the Systematic Literature Review (SLR) methodology with the PRISMA 2020 protocol, this study screened data from the Scopus database using specific keywords related to ESG and human resources. A total of 663 high-quality articles published between 2014 and 2024 were analyzed using a descriptive and thematic approach supported by VOSviewer.

The analysis revealed a significant surge in publications integrating Environmental, Social, and Governance (ESG) principles into human resource management. The thematic analysis confirmed the existence of a complex nexus where the influence of SCG on retention is not direct but is fully mediated by employee engagement and perceived organizational support. Specifically, Green Human Resource Management practices and ethical leadership were identified as vital operational mechanisms that foster trust, meaningful work, and affective commitment. The study concludes that SCG is not simply a compliance metric, but rather a modern strategic component of employer branding. The implication is that organizations are encouraged to shift to stakeholder-centric governance and integrate sustainability indicators into leadership accountability to win the global talent race.

Key Words: Sustainable Corporate Governance, Employee Retention, Employee Engagement, Green HRM, Environment Social Governance, SLR

1. Introduction

The concept of the "War for Talent" has undergone a significant transformation over the past few decades, evolving far beyond its initial conception in the late 1990s as a mere competition for attracting skilled employees through financial incentives. In the contemporary global business environment, this paradigm has shifted toward a more holistic approach that fundamentally incorporates ethical values and employee goals into organizational hiring and retention strategies. While competitive remuneration remains a factor, the modern workforce increasingly demands a deeper alignment with their employers, necessitating that organizations prioritize sustainable corporate governance (SCG) and ethical leadership as central tenets of their operational philosophy. This evolution reflects a broader societal shift where organizational success is no longer viewed in isolation but is intrinsically linked to the alignment of employee values with a clearly defined corporate purpose and

robust ethical standards. Consequently, the strategic focus of human resource management has expanded to encompass the creation of work environments that actively prioritize well-being and Corporate Social Responsibility (CSR), marking a departure from transactional employment relationships toward those grounded in shared values and ethical commitment.

This shift in the employment landscape is particularly pronounced among younger demographic cohorts, specifically Generation Z and Millennials, who now constitute a significant portion of the global workforce. Research indicates that the perception of Environmental, Social, and Governance (ESG) commitments among these groups significantly influences their choices regarding potential employers. These employees prioritize working for organizations that demonstrate a genuine commitment to sustainability and ethical governance, viewing such commitments as indicative of an organization's overall ethical character and legitimacy in the marketplace. For these generations, the "War for Talent" has shifted from offering high salaries to providing purpose and ethical alignment, where employees are acutely aware of corporate behavior regarding environmental and social issues (Islam et al., 2020; Macini et al., 2020). Consequently, companies that effectively communicate and embody strong ESG strategies are better positioned to attract and retain this talent, linking employer attractiveness directly to perceived commitments to sustainability and responsible governance (Islam et al., 2021).

However, the failure to align organizational values with employee expectations presents severe strategic challenges, most notably in the form of high employee turnover rates. High turnover is no longer merely an operational nuisance but a critical strategic issue that incurs substantial direct and indirect costs. Financially, the burden of replacing a single employee can exceed 200% of their annual salary, factoring in recruitment, onboarding, and training costs (Cosenza et al., 2024). Beyond immediate financial losses, high turnover rates erode institutional knowledge, decrease productivity, and can cause lasting damage to employee morale and customer satisfaction (Cosenza et al., 2024). Furthermore, organizations plagued by high turnover often struggle to maintain a cohesive corporate culture, creating a cyclic trend of dissatisfaction that further undermines organizational performance and reputation in the talent market (Macini et al., 2020; Madero et al., 2022). Thus, retention has emerged as a strategic imperative, not just an operational metric.

To address these challenges, Sustainable Corporate Governance (SCG) has emerged as a vital framework. SCG is no longer just about compliance but has become a core element of employer branding, defined by the integration of ESG into the strategic framework of Human Resource Management (HRM) (Macini et al., 2020; Madero et al., 2022). This convergence, often referred to as Sustainable Human Resource Management (SHRM), underscores the necessity for HR practices to prioritize sustainability throughout the entire employee lifecycle—from recruitment and training to development and exit (Singh et al., 2024). By fostering a workplace culture that is ethically sound and environmentally responsible, SCG initiatives aim to mitigate the risks of turnover by creating a sense of organizational loyalty and commitment. A misalignment between employee values and corporate ethics often manifests in increased turnover intentions; therefore, the implementation of SCG is critical for fostering an environment where employees feel their personal values are respected and reflected in their daily work (Macini et al., 2020).

Specific solutions found in the literature point to the efficacy of Green Human Resource Management (GHRM) as a mechanism to operationalize SCG. GHRM encompasses eco-friendly practices within recruitment, training, and employee engagement, effectively integrating sustainability into the fabric of organizational culture (Atmaja et al., 2024; Wajdi et al., 2023). Empirical studies have demonstrated that perceived strong GHRM practices correlate with improved employee commitment and significantly reduced turnover intentions (Suleman et al., 2023). By encouraging the active participation of employees in decision-making processes and sustainability initiatives, GHRM enhances their sense of ownership and commitment to organizational goals (Madero et al., 2022). Furthermore, effective GHRM serves as a gateway to improved employer branding, establishing a competitive edge in talent acquisition by signaling a green organizational culture to prospective employees (Yasin et al., 2022; Muisyo et al., 2023).

Complementing GHRM, ethical leadership plays a critical, distinct role in cultivating green behaviors and fostering a culture of trust. Leaders who exhibit ethical values facilitate an environment where sustainable practices are integrated into everyday operations, which in turn bolsters employee engagement and aligns individual efforts with long-term sustainability goals (Hameed et al., 2024; Kanojia & Dhiman, 2025). The literature suggests that ethical leadership is the strongest predictor of affective commitment, particularly among millennials, and helps cultivate a culture of trust that enhances employee loyalty (Karakasnaki, 2024; Islam et al., 2020). Conversely, the absence of ethical governance can lead to high turnover as employees seek environments that align with their ethical standards; Thus, perceived organizational support regarding sustainability initiatives was shown to substantially reduce intentions to leave (He et al., 2020; Suleman et al., 2023).

Despite the growing body of literature on GHRM and ethical leadership individually, there remains a need to synthesize how these elements function as a cohesive system within the context of the "War for Talent." The current literature highlights that Sustainable Corporate Governance serves as a crucial pillar in the new employment paradigm, influencing employer branding and shaping organizational culture (Yasin et al., 2022; Shakil et al., 2023). However, the specific mechanisms connecting governance frameworks directly to retention strategies through the mediating role of employee engagement require further systematic exploration. The interaction between SCG practices, the psychological state of engagement, and the final outcome of retention forms a complex nexus that warrants a comprehensive review to inform future HR strategies.

Therefore, this study aims to address this gap by conducting a Systematic Literature Review (SLR) of articles published in 2025. The study specifically focuses on linking corporate governance, sustainability, and human resource management outcomes to answer two primary research questions: How does Sustainable Corporate Governance influence employee retention strategies? and what role does employee engagement play as a mediator in the SCG-Retention relationship?

By synthesizing findings on the interplay between ethical governance, engagement, and retention, this research seeks to provide a consolidated theoretical framework that establishes SCG not merely as a financial or compliance metric, but as a critical, strategic component of modern human resource management.

2. Methodology

A systematic literature review (SLR) is necessary in management studies to ensure that findings are based on the most relevant literature. The study was conducted using a methodology that adheres to best practices in the field. Research questions were designed to produce a clear and comprehensive literature analysis, and data were collected through a data synthesis process. These steps help ensure that findings are based on the most relevant sources and that the review maintains its quality. This section provides a detailed overview of the search strategy, exclusion and inclusion criteria, and data analysis methods used.

2.1 Search Strategy and Data Sources

Developing a comprehensive search strategy is the foundation for conducting an effective SLR. This strategy must establish the use of specific keywords to accurately capture relevant literature. In this study, the search strategy was designed to cover a broad spectrum of literature by utilizing a reputable, leading academic database, Scopus. This database selection was based on its extensive coverage of high-quality management and business journals, ensuring that the study captured the most influential and relevant publications in the field. The use of this database aligns with literature recommendations to ensure that the review is not biased toward a single indexing source and encompasses a sufficient diversity of empirical evidence.

The search process was conducted using a search string incorporating key terms reflecting the study's primary variables. The search string constructed using Scopus was: ESG (Environmental Social Governance), which was then explored through the variables Employee Engagement and Retention through a literature analysis to limit the literature to the main concepts of ESG, Employee Engagement, and Employee Retention. This initial search strategy yielded a total of 19,660 documents. This number reflects the volume of available literature before the application of more stringent quality and relevance filters, indicating that this topic has received significant attention but requires systematic screening to identify the most valid empirical evidence. Subsequent filtering was performed to reduce the number of articles and make them more specific. The filtering resulted in 663 relevant articles, based on the search strategy and Scopus data sources.

The literature search used the basic keyword 'ESG' to capture a broad spectrum of globally indexed corporate sustainability practices. This literature was then systematically screened to isolate studies that specifically addressed the dimensions of Governance and its strategic implementation (SCG) in influencing employee engagement and retention.

2.2 Inclusion and Exclusion Criteria (PRISMA Protocol)

To ensure transparency and reproducibility of the study selection process, this study adopted the PRISMA 2020 (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) protocol. The application of the PRISMA 2020 protocol in social science research is crucial because these guidelines provide a structured reporting framework that improves reporting standards and the overall quality of systematic reviews. This includes the use of a flow diagram that visualizes the study selection process, detailing how many studies were screened, included, and excluded, along with the reasons for exclusion. This diagram enhances transparency and allows readers to follow the researchers' decision-making process.

throughout the review stages. The selection process from identification to final inclusion is depicted in detail in Figure 1.

The Following is a flowchart image showing depreciation article from 19,660 to 663.

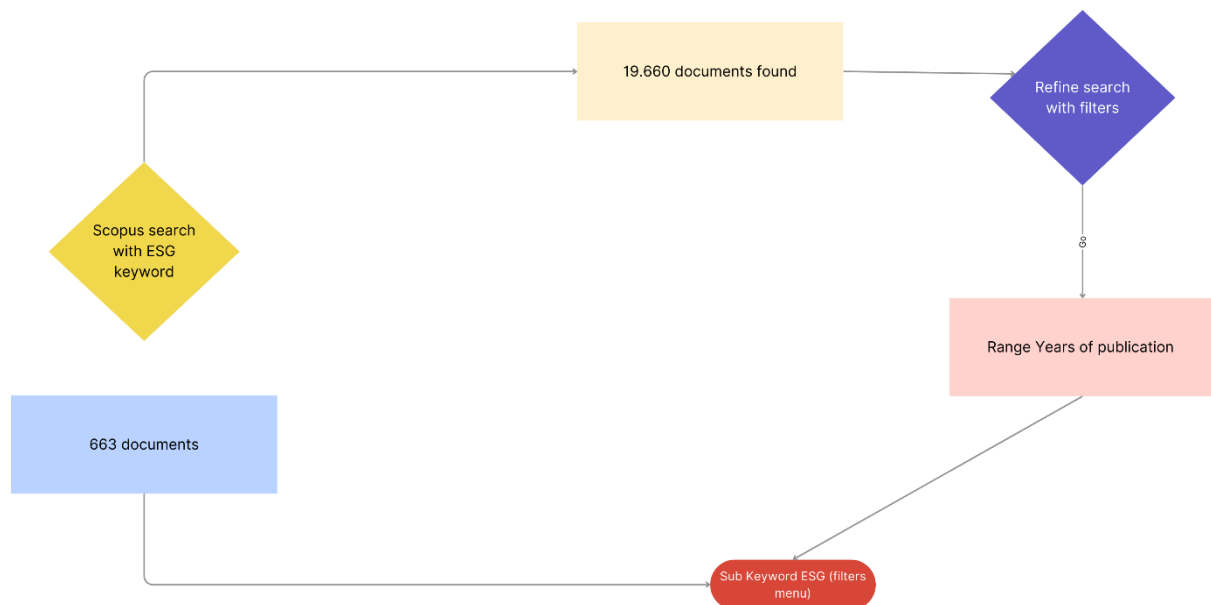


Figure 1. Scopus Screening Flow (ESG Keyword)

Figure 2. PRISMA Table detailing the selection process from identification to final inclusion (Bibliometrix)

Parameter	Criteria Inclusion (I ACCEPT if ...)	Criteria Exclusion (I REJECT if ...)
Year Rise	Article published in 2025	Article published before 2025 (because context technology / pandemic different).
Language	English	Languages other than English
Document Type	Only Journal Articles from journal accredited/reputable	Conference proceedings, Book Chapter, Thesis/Dissertatio, Review Article, or Editorial Opinion
Region	ASIA, America, Europe, Africa, Oceania	Unknown
Variables	ESG, EE, Retention	Topics besides than ESG POV

Method	Use method Quantitative (there is clear numerical data)	Qualitative Methods pure (interview) or Conceptual Paper (only) theory without data)
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Strict inclusion and exclusion criteria were established to select the most relevant and high-quality articles. Inclusion criteria required articles to be written in English to ensure global accessibility and consistent terminology. Furthermore, articles had to be published in peer-reviewed journals, a standard indicator of academic quality. The publication window was limited to 2025 to capture the latest dynamics in corporate governance and human resource management (HRM) practices. Methodologically, this review included only empirical studies, using both quantitative and qualitative approaches. PRISMA encourages the inclusion of diverse study designs to capture comprehensive perspectives, which is particularly relevant for social science research given the variety of qualitative and quantitative approaches prevalent in this field.

Conversely, exclusion criteria were applied to eliminate publication types deemed to have lower empirical validity or less specific relevance. Conference proceedings, book chapters, and white papers were excluded from the analysis to prioritize journal articles that have undergone rigorous review. Furthermore, articles that focused solely on a company's financial performance without integrating human resource (HR) variables were excluded. This step is crucial to maintaining the review's focus on the nexus between governance and the human aspects of the organization, rather than solely on the financial aspects.

The screening process was conducted in three tiered stages:

1. The first stage involved reviewing titles and abstracts to eliminate articles clearly irrelevant to the research topic using the primary keyword, ESG. This stage was conducted using Scopus, using ESG keywords and filtered as needed.
2. The second stage was a review using the Bradford Law Bibliometrics section, but still using all sources because this study analyzed articles to draw new conclusions based on demographic and thematic analysis. Because this stage is an exclusionary stage, there was some slight reduction in the bibliometric filtering of articles that passed the first stage to verify the content's suitability to the research question.
3. The third stage involved Quality Assessment (QA). As suggested in the SLR methodology literature, systematic quality assessment is crucial for evaluating the methodological quality and risk of bias in included studies. Quality assessment criteria in corporate governance reviews should consider aspects such as risk of bias, quality of study design, and relevance to the research question (Kumar et al., 2021; Aboramadan, 2020). Each study was evaluated based on the clarity of the research design, the validity of the methodology used (both qualitative and quantitative), and the clarity of participant selection and appropriate controls (Agarwal et al., 2022; Iqbal et al., 2025).

After this rigorous screening process, the final sample size for analysis was 663 high-quality articles.

2.3 Data Analysis

After article selection was complete, the next stage was data extraction and management, which employed a systematic approach to gather key information from each selected study, such as author(s), publication year, methodology, findings, and conclusions. Data synthesis and analysis were then conducted using a dual approach: descriptive and thematic analysis, supported by bibliometric analysis using VOSviewer software. Descriptive analysis was conducted to map publication trends and the geographic distribution of the 663 selected articles. The objective was to understand the evolution of research interest in this topic over the period 2025 and identify the geographic contexts in which these studies were most prevalent. This is crucial for assessing the external validity and generalizability of the findings to different contexts or sectors within the corporate governance field (Waqas et al., 2021).

Next, thematic analysis was used to synthesize the findings regarding the relationship between Governance, Engagement, and Retention. Given that the sample included both quantitative and qualitative studies, narrative synthesis was used to categorize the findings based on trends and themes emerging from the literature, enabling the integration of rich insights from different methodologies. To strengthen the analysis, this study utilized VOSviewer for bibliometric visualization of keyword co-occurrences. VOSviewer is a specialized software tool that assists researchers in conducting bibliometric analysis to measure and visualize scientific publications and citations.

In the context of Human Resource Management (HRM), VOSviewer enables the creation of visual maps that represent the relationships between various elements in the literature, such as frequently occurring keywords. This keyword co-occurrence analysis facilitates the identification of trending topics and emerging areas in HRM (Bahuguna et al., 2022; Kumar et al., 2021). By visualizing how terms such as "Corporate Governance," "Engagement," and "Retention" are interconnected within the global literature network, this analysis can reveal patterns and connections between research themes and indicate the evolution of interest in specific topics over time (Ogbeibu et al., 2023). Additionally, VOSviewer assists in assessing publication trends by tracking the number of publications and trends over time, allowing researchers to gauge the growth of this field of study, including the impact of sustainable practices or technology on HRM practices (Hassan et al., 2023). This integration of bibliometric analysis provides additional depth to narrative reviews, allowing for more objective and visual identification of research gaps.

3. Results

This section presents empirical findings obtained from a systematic review of 663 high-quality articles that underwent a selection process. The analysis is presented in two main sections. First, descriptive findings provide a macro overview of publication trends and the geographic distribution of research related to sustainable corporate governance (SCG) and human resource management. Second, an in-depth thematic analysis examines the nexus or relationship between governance, employee engagement, and talent retention, elaborated through relevant theoretical lenses.

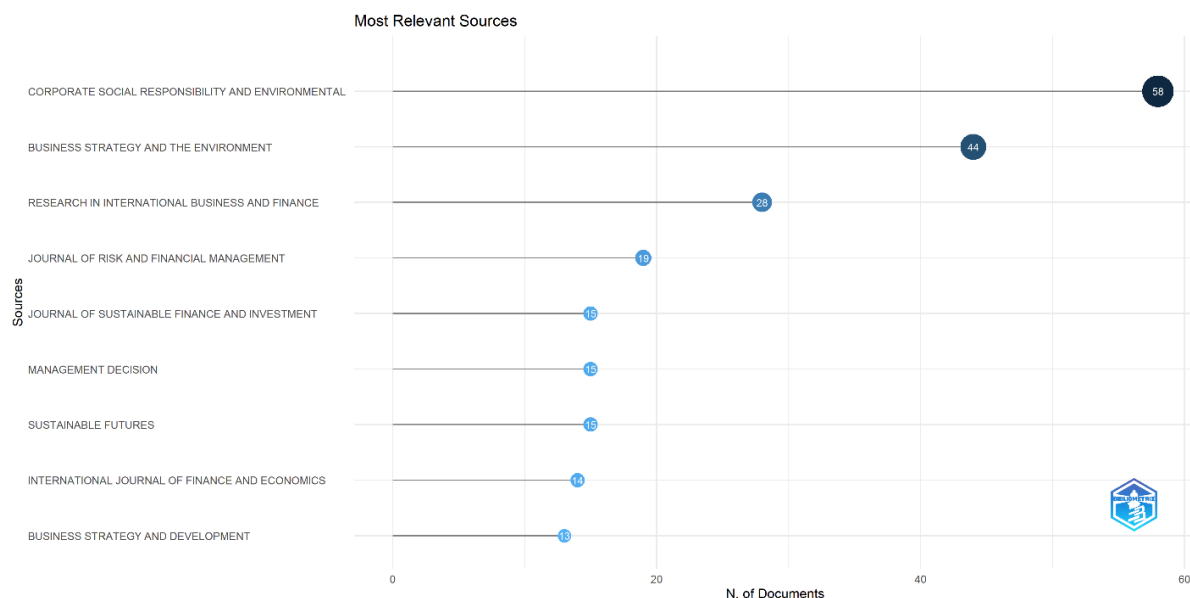
3.1 Descriptive Findings

This descriptive analysis aims to map the academic landscape of the research topic, highlighting how researchers' attention to the integration of ESG (Environmental, Social, and Governance) issues in HR management has evolved over time and how it has spread across various global contexts. Analysis of data collected by bibliometric tools reveals various dynamics in the scientific literature, particularly a surge in publications in 2025. Figure 2 shows an upward trend that developed after the pandemic ended, with momentum continuing until its peak in 2025. The term sustainability has gained widespread attention in the scientific literature, reflecting the growing recognition of environmental, social, and governance (ESG) issues by academic institutions (Liu et al., 2024). This phenomenon represents a paradigm shift in how companies view sustainability. The high number of publications also supports the notion that ESG disclosure benefits corporate reputation and attracts responsible investors (Dossa, 2025; Lu et al., 2025). This trend suggests that integrating ESG activities into strategic management processes is becoming a critical priority for organizations (Dossa, 2025; Tutar et al., 2025).

3.1.1 Publication Trend

The 2025 trend analysis reveals interesting dynamics in the volume of scientific publications in 2025. As illustrated in Figure 2, there is a significant trend in the number of publications in 2025. This phenomenon is inseparable from the global context following the COVID-19 pandemic, which has fundamentally shifted organizational priorities. Since the beginning of the pandemic, research on ESG factors, particularly in the field of Human Resource Management, has gained tremendous momentum globally.

Figure 2. Yearly distribution of selected articles (20 25).

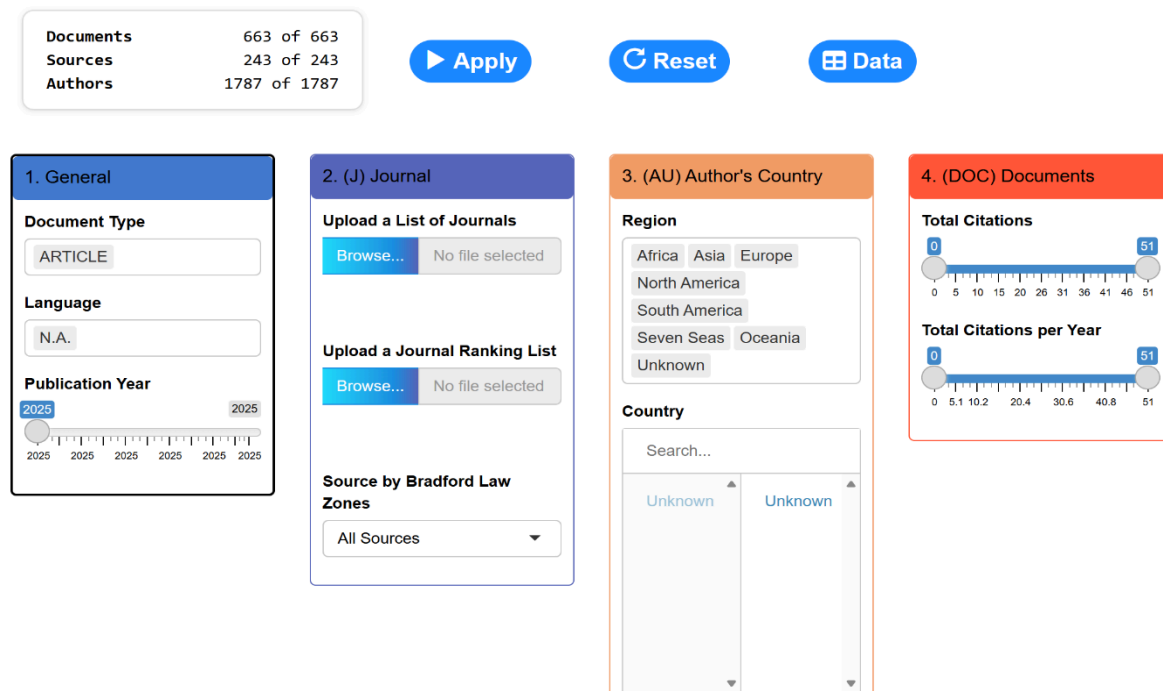


Source : Bibliometric Most Relevant Source

(Graphic image the stem shows amount article journal distributed to a number of source Journal Indexed by Scopus)

Then the filtering process in bibliometrix uses the Document Type Article, publication according to the topic, namely 2025, Source of Bradford, namely all sources, and total

citations of 51. So based on the filter results, 663 documents were obtained as in figure 3 below:



Bibliometric Filter List

Based on the filter list, 663 documents with the highest distribution of articles in 2025 were identified, with sources published in CSR and Environmental journals. According to the analyzed publication trends, the rapid emergence and evolution of green HR management practices was fueled by the pandemic. Furthermore, the increased emphasis on corporate social responsibility also contributed to the development of more effective GHRM strategies (Gupta et al., 2025). This shift toward recognizing the importance of HR in promoting sustainable practices reflects the growing recognition of HR's role in helping organizations achieve their goals. A study by Choudhary and Datta (2023) also showed that the pandemic has sparked discussions about the importance of green creativity in management. While the pandemic has highlighted various ESG themes, it has also provided new opportunities to study them, particularly in the area of employee engagement. The shift toward digitalization and remote work also emerged during the pandemic.

A study by Setyaningrum and Muafi (2023) revealed that the integration of GHRM practices and digital skills has gained widespread popularity as companies adapt to new business realities. The study also notes that these trends support the idea that digital transformation can help organizations achieve their sustainability goals.

3.1.2 Geographic Distribution

The geographic distribution of studies shows a clear contrast between developing and developed countries. Figure 3 shows the distribution of articles across Africa, Asia, Europe, North America, South America, the Seven Seas, and Oceania. Most studies originate from North America and Europe, which are typically regions with the highest levels of ESG regulation. This is understandable, as these countries experience stronger stakeholder

pressure and regulatory frameworks. Developed countries such as Europe and the US have a higher number of publications on GHRM than developing countries. This is due to the sophistication of their research institutions and the prevalence of ESG issues within corporate frameworks, contributing factors to this trend (Zhang et al., 2024).

Despite the increasing number of studies on GHRM, interest in the subject continues to grow in developing countries such as India, China, and Indonesia. Research in these regions focuses on the importance of CSR as a strategic tool for retention. According to Alenzi et al. (2023), research on the role of GHRM in the hospitality and manufacturing industries indicates that it is becoming increasingly prevalent in these sectors. This suggests that the adoption and awareness of environmentally friendly practices are increasing in developing countries due to their commitment to global sustainability goals. Research parameters and study focus vary by country. For example, studies in developed countries typically employ sophisticated methodologies and quantitative metrics. Conversely, studies conducted in developing countries tend to focus on the implementation of basic GHRM strategies and practices. Varying levels of corporate governance maturity and sustainability practices in developing countries are among the factors contributing to the slow pace of GHRM research in this region (Gholami et al., 2024). However, other factors such as lack of regulation and resource constraints also contribute to the development of nascent literature on the subject (Zaidi et al., 2025; Priyadarshini et al., 2023).

Furthermore, an analysis of the geographic distribution reveals an interesting pattern regarding the origin of published studies. Historically and empirically, the distribution of research remains heavily skewed toward North America and Europe. Recent bibliometric analyses confirm that the majority of ESG-related publications originate from these developed regions, which have more established regulatory frameworks and stakeholder pressures (Liu et al., 2024; Rasool et al., 2025). This dominance is understandable given the sophisticated research institutions and strong prevalence of ESG issues in their corporate frameworks in developed countries, such as Europe and the United States. However, there is an encouraging trend of developing countries beginning to integrate into this global research landscape. A particularly marked increase is observed in Asia and other developing countries, such as India, China, and Indonesia, which have seen significant growth in academic attention (Rasool et al., 2025). The role of institutional frameworks in supporting ESG initiatives has also received attention, particularly in Eastern Europe and Central Asia, indicating an emerging trend of developing countries beginning to contribute substantially and actively engage with ESG-related research (Rasool et al., 2025). In these areas, research tends to focus on the implementation of basic strategies such as Green Human Resource Management (GHRM) and the importance of CSR as a strategic tool for retention in specific sectors such as manufacturing and hospitality.

3.2 Thematic Analysis: The SCG-Engagement-Retention Nexus

This thematic analysis aims to analyze the various mechanisms through which Sustainable Corporate Governance (SCG) influences talent retention strategies. The analysis was conducted through the substance of SCG, Engagement, and Retention, which were applied to "Literature Citations," resulting in core articles synthesized with their own narratives. The results of this thematic analysis are as follows:

1. This study focuses on the role of employee engagement. Furthermore, the relationship between employee retention and engagement is a central theme in efforts to improve organizational performance. According to studies conducted by Orellana, Asongu, and Yadav, employee engagement can directly influence organizational commitment and retention rates (Orellana et al., 2025; Yadav & Asongu, 2025). The relationship between employee commitment and retention can be explained by the creation of a conducive work environment. Employee intrinsic motivation can be enhanced by an effective organizational governance framework, which helps companies achieve their goals and improve their performance (Jain & Banerjee, 2025). This suggests that financial compensation is not the sole driver of employee retention. Deep psychological engagement can also be leveraged to improve employee retention rates. A well-designed framework can help enhance employee engagement. According to studies by Heubeck & Ahrens, Zakriya & Chams, and others, organizations that implement strong SCG practices are more likely to report high employee satisfaction (Heubeck & Ahrens, 2025; Zakriya & Chams, 2025).
2. These studies have shown that investing in SCG leads to better environmental, social, and governance (ESG) performance, which makes the company more attractive as a workplace (Heubeck & Ahrens, 2025). Signaling theory states that strong governance practices can help the labor market understand a company's ethical standards. This can help companies attract and retain value-conscious individuals. Employees tend to develop greater trust in a company if it has operational transparency and high governance standards. This is a crucial factor that can help them stay with the organization for a long time. Bibliometric networks indicate that ethics and trust are important elements that can be linked to retention.

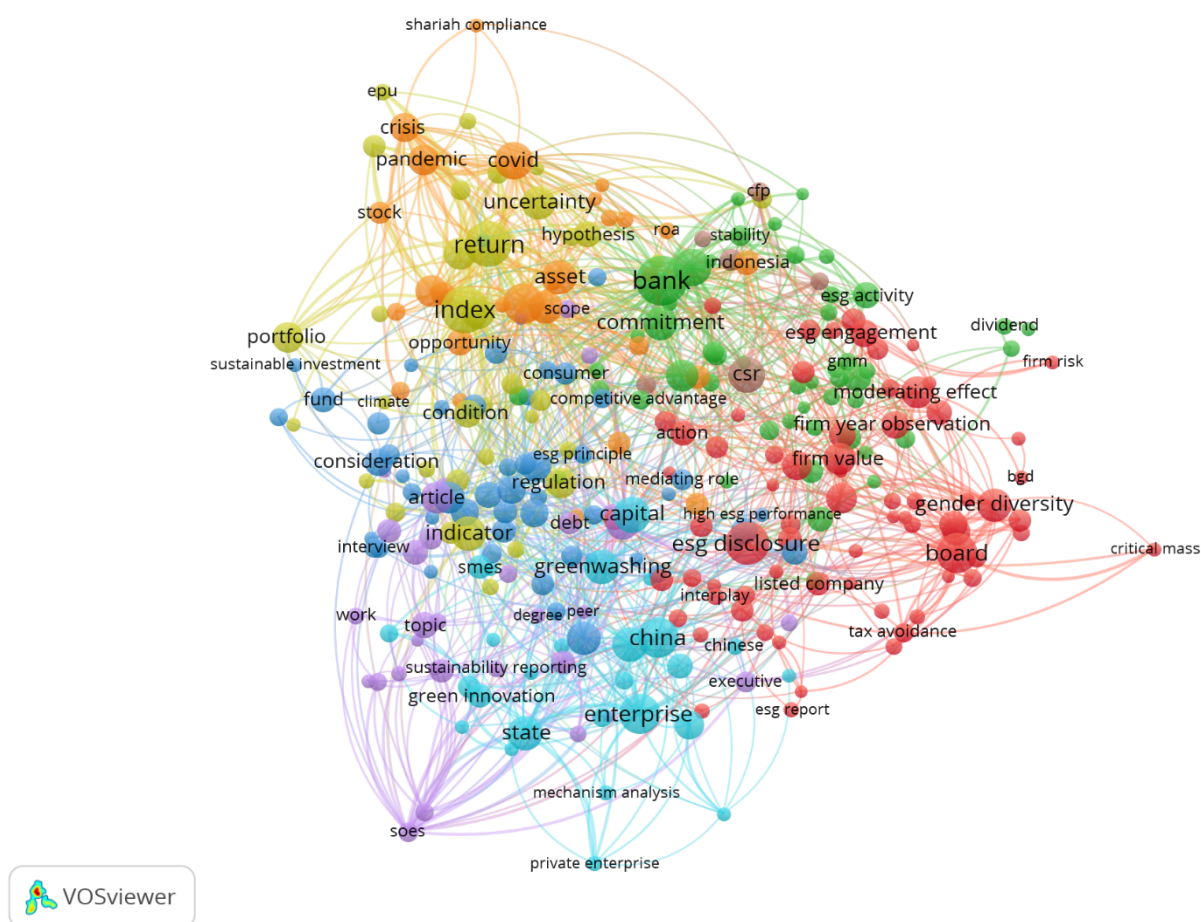


Figure 4. Network Visualization from Keyword ESG after selected by Scopus filter

The relationship between retention and corporate governance (SCG) can be strengthened by meaningful work and perceived organizational support. Sustainable practices can create a sense of purpose for employees, which can help them feel connected to the company. At this stage, this research also examined keyword distribution using VOSviewer, as shown in Figure 4. The keyword ESG, which generated 663 articles, was followed up through the RIS document, resulting in a distribution of topical substance as shown in Figure 4 above.

According to the analysis, conducted through a narrative literature citation process to obtain thematic analysis results, several analytical findings were obtained, including:

1. Active involvement in governance processes and investment in employee well-being are factors that can help organizations adapt to current economic conditions (Saini et al., 2025; Yadav & Asongu, 2025). One of the most effective ways to improve SCG is through the use of a green HR management system. In addition to motivating sustainable behavior, green recruitment and training can also help raise awareness of environmental issues. According to researchers, employees who feel valued and supported through ESG initiatives tend to feel more committed to the organization.

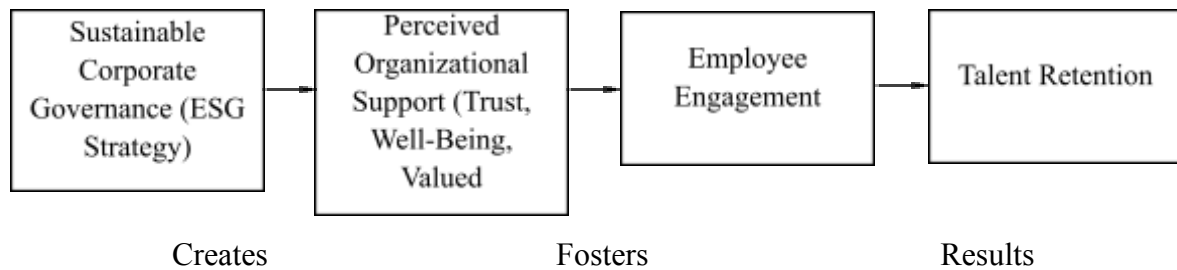


Figure 5. Framework Conceptual (Conceptual Framework Diagram)

2. Employees who feel valued and supported through ESG initiatives tend to feel more committed to the organization. One of the most important factors that can help improve employee retention is leadership accountability. The findings of this study indicate that ethical leadership can help employees feel more committed to their organization. This is because this type of leadership can help align employees with the company's values. This analysis also shows that the use of Sustainable Corporate Governance (SCG) can help improve employee retention rates in the face of global competition.

4. Conclusion

Through demographic analysis of research distribution, publication trends, and thematic analysis, this study demonstrates that the transformation of corporate governance from a compliance tool to a strategic imperative has transformed talent retention into a critical factor in global competitiveness. The study suggests that the influence of Sustainable Corporate Governance (SCG) is indirect, but rather mediated by perceived organizational support and employee engagement. The study also finds that ethical leadership and transparent governance practices can help organizations build trust and foster meaningful work. Green HR Management is a key operational mechanism that enables employees to perceive the benefits of these policies.

Furthermore, this study aims to provide a deeper understanding of the relationship between employee behavioral outcomes and corporate governance by integrating Signaling Theory. The research demonstrates that sustainable employee retention is associated with an organization's genuine ESG (Environmental, Social, and Governance) initiatives. The study also identifies the need for organizations to adopt a more stakeholder-centric approach to managing their talent. This can be achieved through the integration of sustainability-related performance indicators. Due to the increasing number of studies on the relationship between employee retention and corporate governance, it is important for future research to explore the validity of this theory across different industrial sectors and developing countries.

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