

# Understanding Employee Turnover in the Digital Sector in Thailand: An Empirical Investigation

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## Abstract

Amidst the rapid digital transformation and the increasing significance of digital skills in the global economy, understanding the dynamics of employee turnover in this sector is crucial for businesses and policymakers. This research provides an empirical investigation into the factors influencing employee turnover in Thailand's digital sector, focusing on a range of both extrinsic and intrinsic elements, including compensation, work-life balance, pride in a job or job satisfaction, and organizational culture. Utilizing a comprehensive quantitative approach, the research examines data from employees in various digital roles within Thailand. The findings reveal insights into the predominant factors influencing employee turnover, highlighting the importance of non-monetary aspects, consisting of pride in a job, satisfaction with supervisor, and welfare and benefits satisfaction. This contributes to the field of business economics by providing evidence-based insights into employee retention strategies in the digital sector and proposes recommendations for businesses in Thailand to enhance employee engagement and reduce turnover rates. The implications of this research extend to the broader context of managing and sustaining a skilled workforce in a rapidly digitizing economy.

**Keywords:** Employee Turnover, Thai Labour Market, Digital Sector, Human Resources Management

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### บทคัดย่อ

ในยุคที่แรงงานทักษะดิจิทัลเป็นที่ต้องการสูง การเปลี่ยนงานของพนักงานในภาคนี้จึงมีความซับซ้อนมากยิ่งขึ้น งานวิจัยฉบับนี้ศึกษาปัจจัยที่ส่งผลต่อการลาออกของพนักงานในภาคดิจิทัลของไทย โดยพิจารณาทั้งปัจจัยภายนอกและภายใน เช่น ค่าตอบแทน ความสมดุลระหว่างชีวิตกับงาน ความภาคภูมิใจในงาน ความพึงพอใจในหน้าที่ และวัฒนธรรมองค์กร ผ่านการวิเคราะห์ข้อมูลเชิงปริมาณจากพนักงานในหลากหลายบทบาท ผลการวิจัยชี้ให้เห็นว่าปัจจัยที่ไม่ใช่ตัวเงินอย่างความภาคภูมิใจในงาน ความสัมพันธ์กับหัวหน้า และความพึงพอใจต่อสวัสดิการ มีบทบาทสำคัญในการตัดสินใจลาออก งานวิจัยนี้จึงเสนอแนวทางสำหรับองค์กรดิจิทัลไทยในการสร้างความผูกพันกับพนักงาน เพื่อลดอัตราการลาออกและรักษาบุคลากรคุณภาพไว้ในระยะยาว

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## 1. Introduction

In the rapidly evolving digital era, the landscape of employment and workforce dynamics is undergoing significant transformation. One of the most pressing challenges in this context is employee turnover, particularly in the digital sector, which has emerged as a pivotal driver of economic growth globally and in Thailand. This research aims to delve into the intricacies of employee turnover within Thailand's digital sector, seeking to uncover the underlying factors that influence employees' decisions to leave their organizations.

The significance of this study is underscored by the critical role that the digital sector plays in the Thai economy. With the advent of digitalization, industries across the spectrum are experiencing a paradigm shift, relying increasingly on digital technologies and expertise. This shift has not only transformed business models and strategies but also the nature of work and employee expectations. In this light, understanding the factors that drive turnover intentions in the digital sector becomes crucial for sustaining business growth and competitiveness.

Thailand, in particular, presents a unique context for this study. As a rapidly developing economy with a burgeoning digital sector, it faces distinct challenges related to skills gaps, employee engagement, and retention strategies. According to recent reports, including the World Digital Competitiveness Ranking 2021 by the International Institute for Management Development (IMD), Thailand ranks modestly in terms of digital skills preparedness, highlighting the need for focused research in this area.

This research intends to explore various dimensions of employee turnover, including both monetary aspect such as salary (Sittenthaler, 2019) and non-monetary aspect like pride in a job or job satisfaction, satisfaction with supervisor, and work-life balance (Habib et al., 2017). The study will adopt a comprehensive approach, incorporating quantitative analysis to assess the relative impact of these factors on turnover intentions among digital sector employees in Thailand. By doing so, it aims to provide valuable insights for business leaders, HR professionals, and policymakers to formulate effective strategies for employee retention in this vital sector.

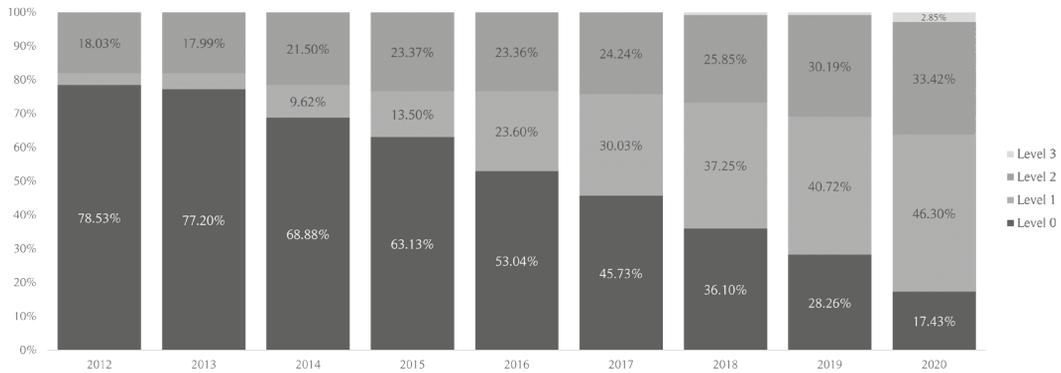
In addressing this issue, the research will contribute to the broader understanding of employee turnover, a topic of enduring importance in the field of business economics. The findings are expected to have practical implications for enhancing employee engagement, reducing turnover rates, and fostering a more stable and productive workforce in Thailand's digital sector.

Digitization has been instrumental in global transformation, reshaping everyday life as well as economic and business landscapes. This shift influences businesses to adapt swiftly to remain viable and profitable. The level of digital skill of the workforce is critical in this transformation. Thailand's labor market ranks 38<sup>th</sup> out of 63 countries (Office of National Digital Economy and Society Commission, 2021), indicating an urgent need for skill enhancement in digital competencies (Sawaengsuksant, 2021). The article explains levels of digital skills as follows:

- Level 3; High skill  
Has a coding skill and ability to adjust a security system and implementing operating system.
- Level 2; Working skill  
Be able to use basic office software, such as Microsoft Office, and run a business activity through the Internet.
- Level 1; Daily-routine-skill  
Be able to use a social network, catch up news, do the online transactions.
- Level 0; No skill  
No use of computer or internet in both working and daily-routine.

The digital skill levels are categorized from high (Level 3), with coding and system security capabilities, to none (Level 0), indicating no computer or internet use. Despite a positive trend in skill development, a significant proportion of the workforce lacks digital proficiency, highlighting the need for improved training and education. Figure 1 shows the proportional percentage of labor skills, separated by the levels of digital skills, in the Thailand labor market. The level of digital skill in Thailand has been continuously developing since 2012, level 2 and 3 was about 18.03%, but in 2020 it was 36.27%. However, there has been a proportion of 2 to 3 who had little or no digital skill, and the average

incremental of digital skill was about 2.28% per year. Furthermore, the competition ranking, organized by the IMD, exposed that Thailand’s training and education sections are at the lowest ranking, compared to other sections. Therefore, this was one of the reasons why the proportion of low-digital skill was huge and the incremental was less.



**Figure 1:** Proportional Percentage of Labor Skill, Separated by the Levels of Digital Skill (2012 - 2020). Retrieved from Bank of Thailand. Copyright (2021) by Sawaengsuksant, P

In 2023, Thailand’s labor market competition, especially digital roles which consist of data scientist, digital marketer, data engineer, software developer, and so forth, is experiencing intense competition due to the digital business transformation to be more beneficial (Bangkok Post, 2023). The gap between the supply of digital talent and market demand is substantial, underscoring the urgency for companies to attract and retain digital expertise to drive business growth. More demanding with a few digital labor supply will lead enterprises to struggling in driving business growth, statistics from *Office of National Higher Education Science Research and Innovation Policy Council (NXPO)* stated that there were only 5,916 new graduates in 2020 from 101 universities whose skills are relevant to digital roles, while Thailand’s labor market had the demand for 20,000 - 30,000 positions needed; a lot of gap to fill the positions. The faster the enterprise can fill the gap, the better opportunity to expand the business. On the other hand, the slower its ability to fill, the worse opportunity. With the limit of the digital labor supply, enterprises need to acquire digital talents from the market; therefore, the labors have more choices to choose and leave the company. As such, the turnover rate in Thailand has increased significantly from 9. 1% in 2021 to 11.4% in 2022 (Bangkok Post, 2023).

Employee turnover presents a significant challenge, potentially leading to a loss of competitive edge due to the lack of manpower to run the business (Lu et al., 2023). The Human Resources Department's role in talent acquisition and retention is pivotal, amidst factors contributing to turnover such as work dissatisfaction and inadequate managerial support, according to *WorkVenture's research in January 2023*, such as hard-working, no complimentary, wrong-person promotion, no improvement provided by the company, bad manager and so forth. Despite higher salary offerings in digital roles, companies still face retention issues, underscoring the need to identify and address the key factors influencing turnover intentions. (Bangkok Post, 2023).

The research conclusively identifies pride in the job, satisfaction with supervisor, and welfare & benefits satisfaction as pivotal factors in mitigating turnover intentions within Thailand's digital sector. These findings emphasize the need for organizations to look beyond traditional monetary incentives and focus on creating a fulfilling, supportive, and appreciative work environment.

**Turnover Intention (TI)** is an intention to leave the current company with any reasons. It could be measured with the Likert scale, with 1 = strongly disagree, 5 = strongly agree, by asking questions, for instance "I often think of quitting my current job" (Lu et al., 2023), as such, the higher score is, the higher intention to leave. However, there is not only the Likert scale applied to measure the intention, but also the binary variable which takes value of "1" if the employee left the current company and "0" if the employee still stays (Stamolampros et al., 2019). Both forms are the dependent variable of the researches, predicted with various factors. To perform TI analysis, multiple regression was applied for the Likert scale form (Lu et al., 2023), while binary logistic regression was applied for the binary form (Stamolampros et al., 2019); (Barthauer et al., 2020); (Stanley et al., 2013). Despite, the forms are different, the interpretations are still the same thing, which the Likert scale interprets as "score" and the binary interprets as "probability". There are also many influential factors used to predict turnover intentions in the next section.

**Non-Monetary Benefits** or non-financial rewards are no-cash or money rewards, which are provided by entrepreneurs, containing vacation leaves, remote work, recognition, job satisfaction, training and development, etc, for the purpose of attracting, retaining, and motivation employees to stay with the company (Habib et al., 2017). Researches exposed that non-monetary benefits have such an impact on reducing turnover intention of employees such as job satisfaction, work environment culture, career opportunities, etc (Stamolampros et al., 2019). The non-monetary benefits are sometimes asked during employees seeking for a new job, due to employees firstly consider salary as a first criteria to select a job, then focusing on non-monetary like value of the job and employee perks such as provident fund, life & medical insurance, and so on. Therefore, it's interesting to hypothesize the non-monetary benefits as a crucial factor which influence the turnover intention.

**Work-Life Balance (WLB)** is a new generation employees' trend and has dramatically been increasing since the COVID-19 pandemic (Bangkok Bank SME, 2022). WLB was conceptualized, measured with 3-item measure by Haar (2013), as an individual's perceptions of how well employees balances between their work and life, therefore, no matter how long working hours they have but it depends on an individual's life objectives (Haar et al., 2014). New-generation employees advocate for freedom, fairness, and novelty pursuance; they also have a sense of responsibility, hoping to be able to grasp the pace and schedule of work autonomously. Studies also find that job autonomy and responsibility significantly and adversely impact job burnout (Lu et al., 2023) and the job burnout is positively related to the turnover intentions (Barthauer et al., 2020). **Hypothesis 1.** WLB is negatively related to turnover intentions (TI).

Satisfaction on supervisor (SS), manager is one of the person who directly works with the employee. A study exposed that the support of the manager (De Cuyper et al., 2011) has an effect on the relationship between burnout, and burnout has a direct effect on turnover intentions (TI) (Barthauer et al., 2020). There are several kinds of support from supervisor, which they depend on the individual needs such as on-the-job coaching, work planning, career advising, protecting of subordinate's mistake, as well as supporting

things not related to work. Employees may request different kinds of support to fulfill their satisfaction, hence, all activities could be grouped as satisfaction on manager (SM). The researches measured the score by Likert scale with a five-point scale from 1 (very seldom) to 5 (very often or always) (De Cuyper et al., 2011), showed that getting higher score means department or organization support employees well. **Hypothesis 2.** SS is negatively related to turnover intentions (TI).

**Satisfaction on College (SC)** is different from the satisfaction on manager, because college is not the employee's supervisor and they have no duty to supervise the employee. Therefore, college is more likely to be a friend. College support is also considered a part of social support (De Cuyper et al., 2011) and the working environment, which contains culture sharing, not related to work sharing, work suggestion, creating a comfortable environment, etc. Better support from colleges will also lead to lower turnover intentions (De Cuyper et al., 2011). The researches measured the score by Likert scale with a five-point scale from 1 (very seldom) to 5 (very often or always) same as the satisfaction on supervisor. This research will focus on each of them to find out which has more impact over another. **Hypothesis 3.** SC is negatively related to turnover intentions (TI).

**Pride in a Job (PJ)**, also known as job pride or work pride, refers to a sense of satisfaction, accomplishment, and fulfillment that individuals derive from their work (Barthauer et al., 2020). It is the feeling of taking pride in the tasks they perform, the results they achieve, and the overall impact they make in their job or profession. When an employee has pride in their job, they have a positive and enthusiastic attitude towards their work. They believe in the value and significance of their contributions and take personal responsibility for delivering high-quality work. They often go above and beyond the basic requirements, demonstrating a strong work ethic, attention to detail, and a commitment to excellence. The PJ may be from supervisors, colleges, or even clients. It also concerns a job satisfaction, which is negatively correlated to the turnover intentions as the job satisfaction increases while the turnover intentions decrease (Alarcon, 2011). **Hypothesis 4.** PJ is negatively related to turnover intentions (TI).

**Career Path (CP)** is the sequence of jobs or occupations that a person pursues throughout their professional life. It involves the progression and development of skills, knowledge, and experiences within a particular field or industry. The specific career path that an individual takes can vary widely depending on his or her interests, education, qualifications, and personal goals. The CP is a part of organization development and compensation, which the management team and HR need to sustainably create it to pursue talents in the company (Lu et al., 2023). There is a suggestion from a literature, which suggests that the talent development program, especially inclusive talent development such as career development via training to all employees, can be used for employee retention (Kaliannan et al., 2023). To measure the CP, the Likert scale is applied with 1 = strongly disagree and 5 = strongly agree, including questions such as "the company attaches importance to staff skills and career development" (Lu et al., 2023). **Hypothesis 5.** CP is negatively related to turnover intentions (TI).

**Welfare & Benefits Satisfaction (WB)** are a perk of employees, which includes health and life insurance, provident fund, vacation leaves, company's outing and so forth. It excludes the standard welfare complied to Thai labor laws, as well as a net salary, commission and annual bonus. In other words, it refers to a perk which can enhance employee well-being. The effect of the WB is perceived as an organizational care (Saks, 2022). The more the company invests in the welfare & benefits, the more employee perceives an organizational care and tends to have a higher engagement because they may think that the company really cares of them. WB has a positive effect on job satisfaction and negative effect on turnover intentions (Stamolampros et al., 2019). One of the measurement of the WB is the 5-star rating on Glassdoor platform, where employees are allowed to give comments and rating to the company on the platform (Stamolampros et al., 2019). **Hypothesis 6.** WB is negatively related to turnover intentions (TI).

**Leisure Time (LT)**, everyone needs leisure time and none of us can perform working without leisure time. It's similar to a car that we cannot leave it running all the time, it sometimes needs to be stopped to fill the gas tank and rest the machine. Otherwise, the car would be dysfunctional. People are the same. Organizational behavior research indicates that

the leisure time can negatively cause employees' job satisfaction and stimulate the turnover intention (Lin et al., 2013). Therefore, many companies have launched the leisure benefit systems to mitigate the issue, such as remote work and flexible time to attend office. The definition of leisure time doesn't only contain sleeping hours, but also cover any leisure time such as shopping, travelling, living with the family, doing hobbies, and so forth.

**Hypothesis 7.** Leisure time is negatively related to turnover intentions (TI). Monetary benefits is contrary to the non-monetary benefits, the monetary benefits or financial benefits are cash or money rewards such as salary, incentives, compensation, and annual bonus, which are also provided by entrepreneurs to motivate the employee performance (Sittenthaler, 2019). Monetary benefits are always the first criteria to decide whether employees would work for the company due to its tangibility. It causes employees' productivity as the more employees work, the more incentives they got from piece rate pay (Sittenthaler, 2019). If employees don't feel that they get a appropriate rate comparing to the cost of leaving, they will tend to leave the company (Stamolampros et al., 2019).

**Salary** means the compensation, wages or income. It could fill the basic needs of employees and motivate their effort to work for the company with an appropriate pay rate (Sittenthaler, 2019). As salary is one of the monetary benefits, its effect is the same. In appropriate salary or compensation rate could significantly lead employees to leave the company (Stamolampros et al., 2019). **Hypothesis 8.** Salary is negatively related to turnover intentions (TI).

This research provides comprehensive sections. Each section is crafted to sequentially build upon the previous, culminating in a comprehensive understanding of employee turnover in Thailand's digital sector, which consists of **section 1 (introduction)** that outlines the significance of employee turnover in Thailand's digital sector, **section 2 (Methodology)** that explains details of the study's approach, including participant selection, data collection methods, and the use of probit models for analysis, **section 3 (Results)** that presents the dataset characteristics and the results of the regression analysis across four models, section 4 (Conclusion) that summarizes the key findings, highlighting the importance of non-monetary benefits over monetary benefits in influencing turnover decisions, and **section 5 (Discussion)** that includes interpretation of findings, comparison with existing literature, study limitations, and practical implications.

## 2. Methodology

### 2.1 Participants and procedure

Employee turnover in the digital sector is influenced by a complex interplay of factors. While salary and other financial incentives have traditionally been considered key to employee retention, emerging evidence suggests that non-monetary factors such as job satisfaction, work-life balance, and organizational culture are becoming increasingly important. Additionally, the quality of leadership and the relationship between supervisors and their teams have been identified as critical determinants of employee engagement and retention.

Given Thailand's strategic focus on digital expansion and the pivotal role of the digital workforce in achieving this goal, understanding the specific factors that drive turnover intentions in this context is crucial. This research aims to fill this gap by providing an empirical investigation into the dynamics of employee turnover within Thailand's digital sector. By identifying the key factors that influence digital professionals' decisions to stay with or leave their organizations, this study seeks to offer valuable insights that can inform the development of more effective employee retention strategies, thereby supporting the sustainability and growth of Thailand's digital economy.

This study, hence, targets employees within Thailand's digital sector, focusing on roles crucial for the digital transformation post-COVID-19. The sample consists of individuals employed as software developers, data scientists, analysts, and digital marketers. Eligibility for participation required a minimum of 120 days of employment, accommodating the standard probation period in the industry. Between June 1<sup>st</sup> and November 30<sup>th</sup>, 2023, a total of 108 participants (58 who had left their jobs and 50 who remained employed) were interviewed. The mixed methods of phone and in-person interviews allowed for in-depth data collection, especially on sensitive topics like compensation and job satisfaction. The interviewer's background explanation and ice-breaking efforts were integral to ensuring participant comfort. This method also allows for clarification of ambiguous responses, enhancing data quality.

To analyze the binary outcome of turnover intentions, probit models were employed. These models excel in identifying significant factors affecting employees' decisions to stay or leave. Given the limited sample size relative to the number of variables, a stepwise approach was taken to refine the model iteratively. This process involved starting with a comprehensive set of variables and gradually eliminating those not significantly contributing to the model, ensuring the final analysis was both reliable and informative.

The econometric analysis progressed through four models, each refining the variable set based on statistical significance and theoretical relevance. The initial model incorporated a broad spectrum of factors, including work-life balance (WLB), satisfaction with supervisor (SS), satisfaction with college (SC), pride in a job (PJ), career path (CP), welfare & benefits satisfaction (WB), salary, and leisure time (LT), alongside demographic controls and interaction terms to capture complex relationships. Subsequent models systematically focused on the most influential factors, culminating in a refined model highlighting the primary drivers of turnover intentions within the sector. The initial econometric model can be written as follows:

$$\begin{aligned} \log\left(\frac{P}{1-P}\right) = & \beta_0 + \beta_1 WLB_i + \beta_2 SS_i + \beta_3 SC_i + \beta_4 PJ_i + \beta_5 CP_i + \beta_6 WB_i + \beta_7 Salary_i + \beta_8 LT_i \\ & + \beta_9 Female_i + \beta_{10} Manager_i + \beta_{11} Age_i + \beta_{12} Length_i + \beta_{13} PJ\&SS_i + \beta_{13} Age\&CP_i \\ & + \beta_{15} WB\&WLB_i + \beta_{16} SS\&SC_i + \beta_{17} Manager\&Salary_i + \beta_{18} Female\&Length_i \end{aligned} \quad (1)$$

The dependent variable is turnover intentions with 1 = Leave and 0 = Stay, and the independent variables are work-life balance denoted as WLB, satisfaction on supervisor denoted as SS, satisfaction on college denoted as SC, pride in a job denoted as PJ, career path denoted as CP, welfare & benefits satisfaction denoted as WB. And the control variables contain sex (coded with 0 = male and 1 = female), age and length of the current employment (coded as a number), finally, employee's position (coded as operation = 0, management = 1). Interaction terms contain PJ\*SS, Age\*CP, WB\*WLB, SS\*SC, Manager\*Salary, and Female\*Length. The aim of the first model is to provide overall effects on TI and observe coefficient sign of each variables.

The refined model uses the same variables' definition as the first model. However, some independent variables, including SC, Salary, LT, Female, Length, PJ&SS, SS&SC, Manager&Salary, and Female&Length are cut from the first model according to result of the p-value in the model. This model aims to scope down the impact of remaining independent variables to see whether the significant level increased.

The focused model still remains the same concept as the second model, but deepens and has a fewer variables. The CP, Manager, Age, and Age&CP are excluded from the second model according to result of the p-value in the model.

The final model remains only significant variables, and is expected to provide the most insightful comparing to other models due to the fewest variables it has. All the results of each models will be exposed on the Table 2 to see the differences of the effect on each models.

## **2.2 Measures**

This study employs a combination of direct questions, indirect inquiries, and observational data to measure various factors contributing to employee turnover intentions. To ensure accuracy and minimize response bias, the study carefully defines each construct and adapts the measurement approach to the sensitivity and complexity of the topics being explored.

### **2.2.1 Work-Life Balance (WLB)**

WLB is measured by a direct question as “do you think you have a work-life balance?” However, before asking this question, I would explain to them the definition of WLB as mentioned earlier to avoid misunderstanding of the measurement.

### **2.2.2 Satisfaction on Supervisor (SS)**

The SS can not be measured by only one direct question, because it will lead a bias of the current employee to answer “yes” because he may be hesitant to speak out and raise issues with the current company (Stamolampros et al., 2019). Therefore, indirect questions will be applied in this case such as “what is your ideal leader’s character you want to work with, and what is the bad one?” After the question, the employee would reveal their preference and another question will be continued as “please give me some

examples of what's a good, or even the best, of your current supervisor?" If he is satisfied, he tends to give a clear example and relevant to the character he mentioned before. Therefore, "yes" will be the answer. However, if he hesitates to answer or gives a bad comment, it could be implied as "no".

### 2.2.3 Satisfaction on College (SC)

It's similar to the SS. Indirect questions will be applied, such as "what is your ideal team's style you want to work with, and what is the bad one?" and the next question will be "please give me the example of an impressive circumstance from your team." Similarly, if he is satisfied, he tends to give a clear example and relevant to the style he mentioned before. Therefore, "yes" will be the answer. However, if he hesitates to answer or gives a bad comment, it could be implied as "no".

### 2.2.4 Pride in a Job (PJ)

It could directly be asked because it's not harmful to anyone, so the employee tends to comfortably reveal their thought. 2 simple questions will be used, the first one is "have you ever got any complementary or good feedback from the company when you accomplished your goal?", then the second one will be "do you think the complementary is enough and satisfied for you?" Then, "yes" or "no" showed.

### 2.2.5 Career Path (CP)

Similar to the PJ. Simple questions will be asked, the first one is "does your company provide a clear structure of your career path?" If "no", there would not be the second question. In case of "yes", the second question is "do you feel enthusiastic and satisfied with the career path provided by the company?" Then, "yes" or "no" showed.

### 2.2.6 Welfare & Benefits Satisfaction (WB)

It is also measured by a direct question "Are you satisfied with the current welfare & benefits?" However, as I mentioned before, the salary is excluded in this variable. If the employee answered "no", there will be another question "what is your unsatisfactory in this topic?" and if the answer is related to compensation and without other issues, it will be considered as "yes".

### 2.2.7 Salary

Due to I'm on the duty of Human Resources, employees will comfortably reveal their salary. This is measured by a number as monthly income (THB).

### 2.2.8 Leisure Time (LT)

It is measured as hours per day. The question that will be applied to measure the leisure time is "How many hours of leisure time, including sleeping time, do you have per day?" The leisure time in hours per day will be given and kept on my data as numerical.

## 2.3 Controls

The model controls for demographic and job-related variables such as gender (coded with 0 = male and 1 = female), age, length of employment, and job level (coded as officer = 0, manager = 1). to isolate the effects of the primary variables of interest on turnover intentions.

## 3. Results

### 3.1 Descriptive Statistics

Table 1: Descriptive Statistics

Characteristics	
Total number of employee	108
Stay	50
Leave	58
Gender	
Female employee	79
Male employee	29
Level of employee	
Manager	55
Officer	53
Average employee age (Year)	31.52
Average length of current employment (Day)	822.99

The dataset has been collected through phone call interview. Table 1 provides the characteristics of the dataset in this study. The total number of employee in this study is 108 employees from the digital sector in Thailand. The proportion of the dependent variable, which is turnover intention, is quite well-balanced as employees who stay are 50 people (46.3%), and leave are 58 people (53.7%). The majority of the study's sample is female employee, which is 79 people (73%), while male employee is 29 people (27%). The level of employee is presented as 2 levels, manager above means employees who have subordinates to manage, and officer means junior or entry employees. Manager has 55 people (51%) while officer has 53 people (49%), which is well-balanced. The range of the samples' age is between 24 - 44 years old. The mean of the sample is 31.52 that is close to the median (31), standard deviation is 4.50, and the skewness is 0.305, indicating that the data is pulled to the right. The average length of current employment of the sample is 822.99 days while the range is between 160 - 4,597 days, which is a huge gap. The range can be varied because of the need for evaluating the reasons of both employees who stay in just a short-term and others stay very long. The skewness of length of current employment is 2.13, indicating that the data is pulled to the right as well.

### 3.2 Regression Results

The regression analysis conducted on factors influencing employee turnover in Thailand's digital sector yields several noteworthy insights, presented in Table 2. In Model (1), almost all variables align with the expected coefficient signs, except for salary and Career Path (CP). Interestingly, the positive coefficients for CP in some models—3.36 in Model 1 and 3.24 in Model 4—suggest an economic phenomenon. Employees with clear career progression might paradoxically exhibit higher turnover intentions, possibly due to seeking new challenges and opportunities after professional growth.

Table 2: Statistical Models

	Model (1)	Model (2)	Model (3)	Model (4)
<b>Independent variable</b>				
(Intercept)	17.85 (2129.18)	1.09 (3.32)	4.58 (1.16)***	3.71 (0.79)***
Satisfaction with supervisor (SS)	-14.70 (2129.17)	-1.39 (0.73)	-1.47 (0.70)*	-1.67 (0.67)*
Pride in a job (PJ)	-5.28 (2.21)*	-3.08 (0.70)***	-3.13 (0.68)***	-2.94 (0.63)***
Welfare & benefits (WB)	-3.99 (2.01)*	-2.97 (1.52)	-2.58 (1.35)	-1.79 (0.63)**
Work-life balance (WLB)	-2.26 (1.59)	-1.37 (1.24)	-1.25 (1.15)	
Career path (CP)	5.37 (5.67)	3.72 (4.66)		
Satisfaction with college (SC)	-15.32 (2129.17)			
Leisure time (LT)	-0.05 (0.24)			
Salary	-0.00 (0.00)			
<b>Controlling variable</b>				
Manager	-1.56 (1.74)	-0.68 (0.74)		
Female	-0.37 (1.18)			
<b>Age</b>	<b>0.18 (0.15)</b>	<b>0.13 (0.10)</b>		
<b>Length of current employment</b>	<b>0.00 (0.00)</b>			
<b>Interaction term</b>				
WB*WLB	2.96 (2.09)	1.57 (1.62)	1.05 (1.47)	
PJ*SS	2.46 (2.21)			
SS*SC	12.64 (2129.17)			
Age*CP	-0.19 (0.18)	-0.13 (0.15)		
Manager*Salary	0.00 (0.00)			
Female*Length	-0.00 (0.00)			
Mc Fadden $R^2$	0.53	0.47	0.45	0.44
AIC	108.20	98.92	93.84	91.12
BIC	159.16	125.74	109.93	101.85
Log Likelihood	-35.10	-39.46	-40.92	-41.56
Deviance	70.20	78.92	81.84	83.12
Num. obs.	108	108	108	108

\*\*\* $p < 0.001$ , \*\* $p < 0.01$ , \* $p < 0.1$

Pride in the Job (PJ) consistently shows strong negative coefficients across models. For instance, it has values of  $-3.31$  in Model 1 and  $-3.44$  in Model 4. These results highlight its significant influence on reducing turnover intentions (Barthauer et al., 2020). This finding supports the economic theory that intrinsic factors such as job satisfaction and pride can outweigh extrinsic motivators like salary in retaining employees.

Welfare & Benefits Satisfaction (WB) also exhibits negative coefficients, such as  $-1.57$  in Model 1 and  $-1.38$  in Model 4. This reinforces the economic theory of compensating differentials. Comprehensive welfare and benefits packages are shown to be key in reducing turnover intentions (Stamolampros et al., 2019). These findings emphasize the importance of non-monetary benefits in employee retention strategies.

Work-Life Balance (WLB) demonstrates substantial negative coefficients, such as  $-20.39$  in Model 1 and  $-18.97$  in Model 4. This indicates a strong inverse relationship between WLB and turnover intentions. Economically, these results suggest that improvements in WLB can significantly reduce employees' likelihood of leaving their organization (Haar et al., 2014). This underscores the effectiveness of strategies aimed at enhancing work-life balance in retention efforts.

Similarly, Satisfaction with Supervisor (SS) and Satisfaction with Colleagues (SC) display negative coefficients. For example, SS has values of  $-0.22$  in Model 1 and  $-0.43$  in Model 4, while SC shows coefficients like  $-3.76$  in Model 1 and  $-1.75$  in Model 4. These results highlight the importance of supportive workplace relationships in reducing turnover intentions (De Cuyper et al., 2011). The magnitude of these coefficients underscores the critical role of fostering a positive work environment in employee retention strategies.

The salary variable shows a negative coefficient but has a minimal effect on turnover intentions. This challenges the assumption that monetary factors are primary drivers in the digital sector's labor market. Additionally, the salary coefficients and their standard errors are relatively small, indicating limited impact. According to Thailand's cost of living data, average monthly expenses in 2023 were estimated at 18,163 THB per family (Thai PBS, 2023), while the cost of living in Bangkok in 2021 was around 33,032 THB (Rabbit Care Broker Company Limited, 2021). These figures are below the 1<sup>st</sup> quartile of the sampled group (43,125 THB), suggesting that salary might not be a significant concern for this demographic.

In summary, as demonstrated in Table 2, the regression analysis reveals that Pride in Job, Satisfaction with Supervisor, and Welfare and Benefits are pivotal factors influencing turnover intentions in Thailand's digital sector. These findings highlight the importance of fostering a positive workplace environment, valuing employee contributions, and offering competitive welfare packages as key strategies for reducing turnover and enhancing employee retention.

### 3.2.1 Interaction Term Results

In Table 2. All interaction terms provide an inverse coefficient sign. This indicates how the relationship between turnover intention (TI) and one independent variable changes depending on the level of another independent variable. For instance, the interaction term WB\*WLB has a positive coefficient of 2.96. This suggests that the effect of WB on TI depends on the level of WLB. Specifically, when both WB and WLB are higher, the effect on the dependent variable is increased.

### 3.2.2 Reliability of the Models

The reliability of the statistical models in this study has been thoroughly evaluated through various statistical tests and diagnostics, which are summarized in Table 2. The progression from Model (1) through Model (4) demonstrates an iterative approach to refining the model by systematically eliminating non-significant predictors and examining the influence of the remaining variables on the turnover intention (TI).

The goodness-of-fit for each model is assessed using McFadden's R-squared, with Model (1) showing the highest value at 0.53, indicating that approximately 53% of the variance in TI is explained by the model. Although there is a slight decrease in McFadden's R-squared across the models, this is expected as less significant variables are removed, leading to a more parsimonious model. Model (4), while having the lowest R-squared value, still maintains a substantive explanatory power at 0.44.

The Akaike Information Criterion (AIC) and Bayesian Information Criterion (BIC) are used to compare the relative quality of the models. Lower values of AIC and BIC are preferable, indicating a better fit of the model to the data with fewer penalties for increasing complexity. Model (4) exhibits the lowest AIC and BIC values (91.12 and 101.85, respectively), suggesting that it is the most reliable among the four models when balancing fit and complexity. The Log Likelihood and Deviance are also reported for each model, providing additional measures of model fit. The increasing Log Likelihood and decreasing Deviance from Model (1) to Model (4) indicate improved model reliability.

Regarding individual predictors, the coefficients and their standard errors (in parentheses) provide insight into the reliability of each variable's effect. In Model (4), SS, PJ, and WB have statistically significant negative coefficients at the 0.05 level or better, which suggests these variables reliably predict the turnover intention when controlling for other factors in the model. For instance, PJ consistently shows a negative association with TI across all models, with its impact remaining significant and relatively stable even as other variables are removed.

In contrast, variables such as WB, CP, and SC are not included in Model (4), indicating that they did not provide a reliable contribution to predicting turnover intentions in the presence of other variables.

Interaction terms are explored in Model (1) but are subsequently excluded in the refined models due to their lack of significance or contribution to the model's explanatory power. For example, the interaction term WB\*WLB initially showed a positive coefficient but was not statistically significant in the final model, suggesting that the interaction effect between these variables does not reliably predict turnover intentions.

The number of observations (Num. obs.) remains constant across all models, ensuring that the comparisons of model fit and variable significance are based on the same dataset size.

Additionally, the robustness test with Variance Inflation Factor (VIF) was also applied. VIF of each variables are less than 1.3, indicating very low multicollinearity in model (4)

In summary, the reliability of the regression models is supported by a comprehensive evaluation of fit indices, significance of predictors, and model comparison criteria. Model (4) emerges as the most reliable model for explaining turnover intentions in Thailand's digital sector, with a focus on key predictors that hold significant and consistent influence throughout the modeling process.

#### 4. Conclusion

This study embarked on an exploratory journey to unravel the complexities of employee turnover in Thailand's burgeoning digital sector. Our findings illuminate a multi-faceted landscape where various factors converge to influence turnover intentions. Notably, the study's innovative approach, integrating quantitative rigor with qualitative insights, offered a nuanced understanding of this dynamic.

The research has shown the trend of labor market in Thailand in the digital sector that employees in the digital sector are demanding non-monetary benefits, rather than monetary benefits. The empirical evidence from my probit model analysis unequivocally confirms that factors such as pride in the job (PJ), satisfaction with supervisor (SS), and welfare & benefits satisfaction (WB) are significantly intertwined with employees' turnover intentions with respectively 95%, 81%, and 83.3% of probability to have an intention to leave the company if employees don't feel they have each of them, and without PJ, SS, and WB in the same time can point out having very high intention to leave the company. These results suggest HR leaders to foster employees with these factors, especially with PJ which has the highest impact among the others, to reduce the turnover rate in the company and improve retention rate. Therefore, the HR policies in the companies in digital sector in Thailand should contain activities which lead employees to feel more recognized in their work, valuable in their job, together with encouraging their supervisor to support them effectively, and fostering them with an appropriate non-monetary benefit which apart from salary. Lower turnover results in greater labor cost savings and business advantages, as less time is spent on recruiting and training new employees.

Salary and leisure time (LT) albeit a crucial element, did not emerge as a predominant factor influencing turnover decisions, underscoring a paradigm shift in employee priorities in the digital era. Furthermore, the study points out HR to look into the pivotal role of work-life balance (WLB) and satisfaction with colleague (SC), challenging the traditional confines of workplace dynamics and advocating for a more holistic approach to employee well-being and good environment. Contrary to career path (CP), which has an opposite effect to the assumption. This shows that employees prefer seeking new challenges to having a clear career path. For all controlling variables and interaction terms, they didn't show the significant impact on turnover intentions.

## 5. Discussion

### 5.1 Interpretation of Findings

Our research contributes significant insights into employee turnover within Thailand's digital sector by providing empirical evidence on its determinants. The importance of Pride in Job (PJ), Satisfaction with Supervisor (SS), and Welfare and Benefits (WB) in shaping turnover intentions highlights a shift towards prioritizing a workplace environment that values employee well-being and engagement. This aligns with recent perspectives in organizational behavior, which emphasize the critical role of non-monetary factors—such as job satisfaction, effective leadership, and meaningful recognition—in fostering employee retention.

The minimal impact of salary on turnover intentions challenges traditional assumptions that financial rewards are the primary motivators for employees. Instead, the findings suggest a shift in employee priorities toward factors like workplace satisfaction, career growth, and a positive organizational culture. This trend is particularly evident in the digital sector, where employees often place greater value on personal fulfillment and professional development opportunities than on monetary incentives.

## 5.2 Comparison with Existing Literature

Our findings are in partial concordance with existing literature, which has traditionally underscored the importance of financial remuneration as a key determinant of employee turnover (Barthauer et al., 2020). However, our study diverges by emphasizing the rising significance of non-monetary factors, a trend increasingly evident in digitally-driven work environments. This divergence could be attributed to the unique socio-economic and cultural context of Thailand's digital sector, which warrants further exploration.

## 5.3 Limitations and Future Research Directions

While this study sheds light on several critical factors influencing turnover intentions in the digital sector, it is not without limitations. The sample size and geographic focus on Thailand may limit the generalizability of the findings. Future research could expand the scope and number of sample size to include a more diverse demographic and geographic sample, providing a more comprehensive understanding of the global digital labor market.

Additionally, longitudinal studies could offer deeper insights into how these turnover factors evolve over time, especially in the rapidly changing digital landscape. Exploring the interplay between these factors and emerging trends like remote work and digital nomadism could further enrich our understanding of the digital workforce's dynamics.

## 5.4 Practical Implications

For human resources practitioners, this study provides valuable, actionable insights for developing more effective employee retention strategies. By prioritizing non-monetary elements such as job satisfaction, recognition, and a supportive work environment, organizations can address key factors that drive turnover. Offering attractive welfare and benefits, including provident funds and vacation leaves, further strengthens retention efforts. Equally important is cultivating a workplace culture that genuinely values work-life balance. This approach not only helps retain existing talent but also positions the organization as an employer of choice in the competitive digital sector.

In essence, this research bridges academic findings with real-world applications, equipping organizations to navigate the evolving dynamics of the digital workplace. By translating these insights into practical strategies, businesses can create environments where employees thrive, fostering long-term success for both individuals and the organization.

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