

Editorial: Re-evaluating talent retention: the new strategic advantage of leadership agility

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Emerging competition for talent

For more than 20 years talent retention was defined as a human resources challenge. However, for the year 2025 and beyond, it has escalated into a problem of strategic survival. Besides, now the international talent market is rapidly evolving, transnational and steered by expectations. Where once pay and hierarchy were enough to earn employees' loyalty to the workplace, that is no longer the case anymore. Talented employees are willing to stay if they perceive leadership demonstrates purpose, empowerment and flexibility.

It is essential that companies design meaningful career pathways, promote continuous learning and support internal mobility. For instance, Schneider Electric introduced its "Open Talent Market," an internal mobility platform focused on helping employees explore other roles and assignments, and departments inside the company ([Recruiting News Network, 2023](#)). Conventional tool of compensation alone is insufficient in convincing talent. Hence, the distinctive emerging winner is "leadership agility." This refers to the capability to adjust continuously, learn and adapt strategies accordingly to maintain commitment and active involvement.

From consistency to agility

Back in the day talent retention meant a sense of stability, secure jobs, solid career paths and enduring loyalty. However, in today's volatile environment stability could be the very reason that hinders engagement. This is due to modern workforce preferring flexibility, growth and autonomy over job security alone.

Visionary companies understand that the path to retention is through adaptability. Rather than focusing on "How do we keep people from leaving?", agile leaders think of "How do we make it easy for people to keep growing with us?"

For instance, the now popular "freedom and responsibility" environment that Netflix created for their employees involved trusting their talent with things like decision making, experimenting and risk taking. This strategy significantly helped bring down turnover of their star performers and improve creativity. Similarly, Salesforce designed its own "Trailhead" system which provides employees with continuous learning and redeployment opportunities. It is unlikely for employees to seek employment elsewhere if they have the chance to switch teams and upskill. Conventional indicators such as departure rates or their tenure with the company fall short in defining the true meaning of retention in volatile environments.

Internal mobility rate, skill velocity and engagement resilience are elements that help provide a more elaborate perspective on how employees could grow within the company instead of quitting.

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The following key performance indicators (KPIs) help assess agility driven retention:

- **Internal rate of mobility:** this is the percentage of employees transitioning to new roles inside the company. High rates mean employees are provided with career development opportunities, more responsibility and roles without needing to quit.
- **Skill velocity:** this refers to a company's learning flexibility, the pace at which employees learn, incorporate lessons and practice new skills to suit evolving strategic priorities.
- **Engagement resilience:** this is an important yardstick of emotional stability and cultural identity because it shows how efficiently leaders can re-establish a sense of purpose and motivation post disruption. For example, high mobility rates reflect company's efforts to promote growth over being stagnant in the same roles. Employees are encouraged to take on new responsibilities and tasks without needing to leave the company in search of career growth elsewhere.

In essence, these determinants reframe retention as a positive force of evolution and continuous change rather than something that only acts a barrier for employee turnover. Agile retention is a measure of vitality, the fluidity with which employees and systems blend to adapt. It demonstrates that the human internal structure within the organisation can withstand transformations without falling apart or losing its strength and maintain purpose in its path of continuous change. In this regard, HR metric is more of a progressive than receding type of indicator of resilience and strategic flexibility.

Hence, agile retention transcends HR measures. It is a measure of adaptability, empowerment and strategic alignment of the workforce.

The next development in retention: generative AI

Talent management is in the process of being revolutionised by generative AI with regards to the way individuals work, and businesses perceive and retain talent. AI systems have multiple capabilities such as detecting early signs of disengagement, generating personalised career paths and customising learning programs to keep employees interested and challenged.

One such example of its real-world application is the IBM's AI based skills build platform. This platform plots skill gaps and suggests ways to transition to other roles or functions so employees do not feel they are stuck in the same roles ([IBM, 2024](#)).

Nevertheless, the opportunity has some moral obligations to it. Relying heavily on AI to forecast performance results in bias or diminished sense of belonging that can only come from the human connection. Therefore, future of retention is about how efficiently organisations manage to combine AI with empathetic management.

AI needs to be viewed as a strategic tool than a substitute for solid leadership. Following are realistic steps to achieve that:

- Incorporating AI tools for career path designing to spot any growth potential opportunities.
- Predictive analysis to recognise turnover issues while maintaining transparency.
- Training managers to evaluate AI data while prioritising communication and growth instead of rigid monitoring practices.

Redefining leadership's function in retention

Retention is often seen by conventional HR frameworks as a subsequent measure, to be evaluated after exit interviews and surveys. Nevertheless, agile leadership redefines retention as a fundamental strategic competency, where leaders play a role that goes beyond just being people managers to being builders of workforce commitment and dedication.

Financial metrics, although to some extents are involved in measuring leadership success, it is not the only one. In agile organisations it is determined by the ability to:

- build an environment that provides a certain level of psychological safety that supports experimenting and open dialogue;
- create pathways for mini progressions like small steps which enable employees to grow laterally and vertically; and
- align purposes so that employees feel that their personal values align with the company's objectives.

This type of change requires leaders to change their method of influencing from the conventional authority-centred approach to a trust-based approach. For example, "Purpose workshop" by Unilever's involves combining employees' personal objectives with corporate objectives, enabling workforce to express how their aspirations connect with company's sustainable plans (McGraw, 2019).

The most crucial insight to be gained from these instances is that retention is not about attempting to lock people or find ways to stop them from leaving, it is about creating an environment that invites them to stay because they can genuinely envision a future that supports their growth within the company.

The ecology of talent retention than a program

Retention programs are often managed in the same traditional ways for example, through mentorship, rewards programs, training and compensation. These efforts are temporary and aimless. This is where "systematic ecosystem" comes in, an emerging new best practice which blends culture, structure and technology to maintain engagement.

Three layers of reinforcement build the Agile Ecosystem framework:

1. Strategic foresight: the ability to detect changes in skills demand and suggest career paths that adapt to those changes.
2. Empowering leadership: teams can meet business and employee needs faster if the decision making can be delegated.
3. Integrated design: involves gathering digital tools, systems for feedback, learning platforms to empower employees to take control over their own development.

One such example is how Siemens's "Talent Marketplace" connects employees to other departments within the company where they take up short term projects like how freelancers choose gigs from platforms such as Fiverr or Upwork. This system enables enhanced adaptability and flexibility as it allows employees to learn, develop skills and grow without having to leave the company (Hobbs, 2022).

Executives should take note of this important point: ecosystems always win over rigid programs as employees' needs and expectations are not static, they change overtime. Therefore, ecosystems can adapt and grow over time to meet evolving needs, compared to structured programs.

Implications for executives

Leaders can derive three key lessons from the modern approach to flexible and purpose centred retention. These help translate HR concepts into real actions that benefit the company.

Transition from retention approach to focusing on ecosystems for leadership

Conventional retention efforts solely managed by HR alone are not sufficient. To create long term engagement, line managers and senior leaders need to collaborate to co-create culture, instead of just merely delegating it. This is because retention is a shared leadership role that should be integrated throughout the company.

For instance, executives could apply this by monitoring metrics such as internal transfers, lateral changes, hosting skill building programs and coaching sessions, so that development and growth of the workforce, team engagement and internal mobility are treated as part of the strategic KPIs. Combining these practices across the company helps build the ecosystem. Thus, when retention is approached as being a part of the overall ecosystem, which includes leaders, teams and systems, everyone naturally feels accountable for keeping employees engaged and committed.

Leading with adaptability instead of power

Employees feel inspired by leaders who are vocal about their learning process and demonstrate their willingness and ability to adapt and grow. Being agile and transparent is more important than hierarchy. Research shows that in comparison to conventional command-oriented cultures, adaptive leadership showed increased engagement and decreased turnover (Ha *et al.*, 2024; Pattali *et al.*, 2024).

Executives who are open to dialogue, set an example by acknowledging uncertainty, encouraging risk taking and sharing decision making, fostering trust and loyalty. For example, executives at Salesforce would regularly conduct “Ask Me Anything” sessions where they all come together to converse on continuously changing business priorities. This makes leadership seem more authentic, warm and relatable by showing that adaptability is a positive quality, a strength rather than a weakness.

Rethink success through measures fuelled by purpose

Turnover rates alone cannot provide an overall picture of retention. Purpose alignment is a strong feature in resilient organisations because it reflects how well employees can relate personal meaning to company goals. Leaders should introduce measures to assess engagement levels, patterns of how employees move through different roles and functions, learning capabilities as they are key signs of retention. For instance, executives could determine effectiveness of their managers’ performance by observing the number of employees that move to other roles within the company instead of quitting.

The playbook for leadership: from understanding to implementation

To convert these insights into actionable steps leaders should focus on these five specific areas:

1. Prioritise agility above hierarchy: this means the work environment must be redesigned to promote experimentation and cross functional mobility. Agile retention can only thrive on freedom, not in rigid hierarchical environments. Therefore, teams should be encouraged to test new ideas without having to meet too many stringent approval regulations. This empowers employees to take responsibility for their results.
2. Career growth as an ongoing process: swap traditional and stagnant career ladders to career latices to promote skill diversification and cross functional learning. To broaden skills employees should be encouraged to take up various roles, projects or regions. This creates an environment that keeps talent motivated by integrating continuous

learning into performance systems and acknowledging internal mobility as a success metric.

3. Combine retention with purpose: it is important to provide and emphasise reason behind transformation so that employees see meaning in their work. The relationship between organisational transformation and societal impact, innovation and personal meaning should be regularly communicated by leaders. Employees can better understand the connection between their daily tasks and the company's goals when discussions on purpose are incorporated into team rituals and performance reviews.
4. Use of technology: this means to combine AI based tools to provide personalised career development recommendations, all the while sustaining human connection. For example, predictive analysis can identify early indicators of disengagement, and AI-led platforms suggest customised learning pathways and new assignments.
5. Match retention to results: this is to observe how increased flexibility and engagement converts to innovation, customer satisfaction and profits. Reviewing these links on a regular basis throughout strategic planning shows that investing in people boosts performance and strengthens responsibility.

Those organisations that succeed in the future are the ones that adopt agile leadership as their main capability, incorporating it into their strategies, structure and culture. Therefore, retention is no longer considered a defensive strategy rather it is a representation of a company's strength, adaptability and resilience in the face of volatility.

Crucial insights

This is a brief comparative table displaying the summary framework that depicts the difference between traditional and contemporary leadership style (Table 1).

This transformation is more than just a superficial one; it is about how talent and leadership work together to produce sustainable performance. The comparison above encapsulates the main evolution from conventional talent retention to agile and purpose driven leadership, emphasising that true retention at present relies on adaptability, empowerment and strategic alignment, instead of merely policies or stability.

Conclusion

Leadership agility is the new currency of retention. Companies that promote cultures that nurture flexibility, trust and learning will be the ones to retain the best performers, not the ones with the biggest compensation packages or remote work rules.

CEOs, directors and strategy experts who read strategic direction can take away a practical suggestion: use your leadership bench as your main retention tool. Create leaders that can respond truthfully, learn quickly and listen intently. This is the next frontier of strategic competitiveness, not just a human resources priority.

Table 1 Comparison between conventional and agile leadership models

<i>Conventional model</i>	<i>Model of agile leadership</i>
The HR measure of retention	Retention as strategic advantage
Focus on stability	Flexibility and vision
Top-Down structure	Distributed, cooperative leadership
Engagement led by policy	Empowerment with a purpose
Opportunities for career growth	Pathways for growth based on a portfolio
Source(s): Authors' own work	

Knowledge is power, as Sir Francis Bacon once stated long time ago. Nevertheless, in the modern world, agile leaders with adaptable knowledge can retain exceptional employees, spur innovation and maintain a competitive edge.

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