

# The Influence of Employee Experience on Workforce Retention in Hybrid Work with Digital Leadership as Moderating Variable

Employee Experience  
and Workforce  
Retention

Pungki Syaraswati<sup>1\*</sup>, Lisa Puspitasari<sup>2</sup>, Sayugo Adi Purwanto<sup>3</sup>

<sup>1</sup>Magister Management Study Program, Faculty of Economic and Business, Universitas Muhammadiyah Berau; Berau, Indonesia

<sup>2</sup>Development Economics Study Program, Faculty of Economic and Business, Universitas Muhammadiyah Berau; Berau, Indonesia

<sup>3</sup>Management Study Program, Faculty of Economic and Business, Universitas Muhammadiyah Berau; Berau, Indonesia

\*Corresponding Author E-Mail: psyaraswati03@gmail.com

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## ABSTRACT

*In the wake of widespread adoption of hybrid work arrangements, organizations face challenges in retaining talent. This study investigates the influence of employee experience on workforce retention within a hybrid work environment while examining the moderating effect of digital leadership. Using a quantitative approach and Partial Least Squares Structural Equation Modeling (PLS-SEM), data were collected from employees working under hybrid arrangements. The findings reveal that employee experience has a positive and statistically significant effect on workforce retention. Digital leadership also demonstrates a direct positive influence on retention outcomes. The interaction analysis confirms that digital leadership strengthens the relationship between employee experience and workforce retention, indicating an amplifying effect. These results suggest that retention in hybrid settings is not solely driven by flexible work policies or technological infrastructure, but by the capacity of leaders to orchestrate digital collaboration, maintain trust, and provide strategic clarity. The study contributes to contemporary human resource management literature by highlighting the integrative role of digital leadership in transforming work experience into sustained employee commitment. Practical implications emphasize the need for organizations to align hybrid work design with leadership capability development.*

**Keywords:** Digital Leadership, Employee Experience, Human Resource Management, Hybrid Work, Workforce Retention.

## INTRODUCTION

The global shift toward hybrid work in the post-pandemic era has transformed human resource management from operational adjustments into a strategic priority for organizational sustainability (Ren et al., 2023; Maity & Lee, 2025). In volatile economic conditions, employee experience has become a key determinant of competitiveness in retaining top talent. Workforce expectations emphasizing flexibility and work-life balance require organizations to realign labor policies, as misalignment between digital infrastructure and psychological needs risks reduced engagement and operational stability (Avtalion et al., 2024; Van Vugt et al., 2024; Bondanini et al., 2025). Implementing hybrid work is especially complex in extractive regions like Berau Regency, where unemployment is projected at 4.95% by 2025, and mining layoffs increase pressure on retention strategies (BPS, 2024). Without adequate leadership, hybrid arrangements can drive turnover intentions up to 30% due to digital burnout and limited interpersonal interaction. Labor migration to the informal sector highlights fragile employee attachment amid rising technological demands.

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To address these dynamics, a systemic approach is required to integrate leadership capabilities within the organization's digital ecosystem. Digital leadership is positioned as a catalyst that bridges hybrid work flexibility with the necessity for empathetic managerial support (Nurhidayah & Muliansyah, 2024). Optimizing technological tools alongside transparent communication enables leaders to reconfigure employee engagement within fragmented workspaces. This strategy does not merely focus on providing information technology infrastructure but also on cultivating an inclusive work culture that minimizes emotional exhaustion and reinforces long-term loyalty. Thus, the moderating role of leadership becomes crucial in balancing productivity and well-being amidst regional economic uncertainty.

Most prior studies have predominantly focused on the direct impact of hybrid work on productivity. At the same time, the moderating role of digital leadership in the context of talent retention within extractive industry-based regions remains underexplored (Makowski, 2023). The relationship between employee experience and retention is often assumed to be linear, overlooking situational variables such as geographical context and the digital capabilities of leaders. While increased information technology burdens and data security vulnerabilities have been shown to reduce the quality of the employee experience, the mechanisms of digital leadership intervention in mitigating these impacts require further theoretical elaboration (Chatterjee et al., 2023; Purwanto et al., 2025).

Previous research highlights that high-quality Leader Member Exchange (LMX) protects against turnover intentions by adapting work modes (Petrilli et al., 2024). The use of HR analytics and digital experience platforms also improves talent management and retention (Di Prima et al., 2024). However, most studies were conducted in regions with equitable digital infrastructure, and digital flexibility can backfire, causing emotional fatigue if poorly managed (Salanova et al., 2013; Skýpalová et al., 2022). Digital leadership moderates digital workplace adoption and organizational performance while enhancing engagement in hybrid settings (Nurhidayah & Muliansyah, 2024).

The novelty of this research lies in the testing of a digital leadership moderation model within the relationship between employee experience and workforce retention, set in Berau Regency, a region transitioning toward a digital governance system while facing economic pressure from mining sector dynamics. Distinct from previous studies focusing on major urban areas, this research integrates post-pandemic hybrid work challenges with the phenomena of mass layoffs and the growth of the informal sector (Prasojo, 2022). Digital leadership is positioned as a conceptual innovation to explain how managerial roles can compensate for infrastructural limitations and hybrid workloads in retaining local talent.

Based on this background, this study aims to analyze the influence of employee experience on workforce retention within hybrid work systems and to test the moderating role of digital leadership in this relationship. This research also identifies the dimensions of employee experience most vulnerable to turnover risk and evaluates how leaders' digital capabilities strengthen employee resilience against modern work disruptions. This study enriches the literature on digital human resource management. The findings are expected to provide a foundation for formulating adaptive and sustainable talent retention policies in Berau Regency.

## **LITERATURE REVIEW & HYPOTHESIS DEVELOPMENT**

### **The Effect of Employee Experience on Workforce Retention**

The conceptualization of employee experience within hybrid work ecosystems has evolved from mere administrative satisfaction toward a holistic perception of employee interactions with organizational structures, technology, and culture (John et al., 2025). Drawing upon Social Exchange Theory (SET), it is posited that when organizations facilitate a positive work experience through hybrid flexibility and autonomous support, employees tend to reciprocate with heightened organizational commitment. Empirical evidence provided by Lu and Yu (2025) indicates that well-managed hybrid models enhance psychological well-being, which correlates linearly with a reduction in turnover

intention. Conversely, deleterious digital experiences, such as cognitive overload resulting from information surplus, may trigger emotional exhaustion that erodes loyalty. Within competitive labor markets, employee experience functions as a unique value proposition that reinforces talent retention by fulfilling psychological and professional necessities.

Furthermore, evidence from Skýpalová et al. (2022), Osman (2025), and Almazrouei et al. (2025) underscores that factors such as work-life balance and seamless digital collaboration constitute the primary pillars for sustaining talent in the hybrid era. In regions characterized by high economic volatility, like Berau, a positive employee experience serves as a defensive mechanism for formal sector employees against transitioning to the informal sector or seeking external opportunities. Should an organization successfully cultivate an ecosystem that fosters self-efficacy and social interconnectedness despite physical separation, the propensity for employees to remain will increase significantly.

H1: Employee experience has a positive and significant effect on workforce retention.

### **The Effect of Digital Leadership on Workforce Retention**

Digital leadership has emerged as a crucial factor in human resource management in the era of hybrid and digital work, particularly concerning employee retention (Alias et al., 2016; Hanifah, 2025). Digital leadership refers to a leader's competence in leveraging digital technologies to guide, communicate vision, and foster effective working relationships in virtually dispersed environments. By integrating technology with strategic human resource practices, digital leaders can create an inclusive and motivating work climate that supports employee well-being (Al-Kasasbeh, 2024). Empirical evidence indicates that digital leadership enhances employees' affective commitment by promoting emotional engagement and digital interaction, which in turn reduces turnover intention (Li et al., 2024; Li et al., 2025).

Moreover, Qiao et al. (2024) highlight that in hybrid work settings, digital leaders strengthen trust and the quality of digital communication, two elements that are primary antecedents of employee engagement and retention. Practical studies further suggest that digital leadership provides frameworks that support transparency, flexible work arrangements, and the use of collaborative digital tools, all of which are directly linked to employee loyalty and their propensity to remain in the organization (Shafariah et al., 2024; Wang et al., 2025). Therefore, both theoretical and empirical evidence consistently support the notion that digital leadership exerts a positive and significant effect on workforce retention, especially within hybrid work arrangements and digitally transforming organizations. This underscores the critical role of leaders in translating technological resources into sustainable employee commitment.

H2: Digital leadership has a positive and significant effect on workforce retention.

### **Digital Leadership as a Moderator Variable**

The urgency of leadership in digital environments has become a strategic capability influencing retention success. Digital leadership goes beyond technical skills, encompassing the ability to inspire, empower, and foster empathetic connections through digital channels (Nurhidayah & Muliansyah, 2024). Based on contingency leadership theory, leadership effectiveness depends on situational work contexts (Simha, 2022). In hybrid systems prone to social fragmentation, digital leadership moderates the relationship between work experience and retention. Studies show that digital leadership mitigates the negative effects of digital isolation and technological fatigue, sustaining employee performance and commitment (Chatterjee et al., 2023; Qiao et al., 2024; Liao et al., 2024).

This moderating role becomes evident when leaders utilize technology to facilitate transparent communication and provide proactive psychological support. Sukajie and Andriani (2025) emphasize that management's digital competence significantly

moderates the relationship between employee engagement and the intention to stay. Digitally literate leaders can foster a stronger sense of belonging despite diminished face-to-face interaction. Without the presence of proficient digital leadership, even flexible hybrid work experiences can devolve into IT burdens that provoke employee frustration. Amidst the challenges of uneven digital infrastructure, supportive digital leadership provides a sense of security and role clarity for employees (Shahzad, 2024; Asfahani, 2025).

Moreover, talent management literature highlights that the use of data analytics by digital leaders assists in identifying early indicators of employee burnout, allowing for earlier retention interventions (Di Prima et al., 2024). The double-edged sword effect of digital connectivity, where employees feel compelled to remain constantly reachable, can be neutralized by leaders who implement healthy work boundaries (Potter et al., 2022). Thus, digital leadership functions as an amplifier for positive work experiences and as a buffer against technical constraints within hybrid systems.

H3: Digital leadership significantly moderates the relationship between employee experience and workforce retention.

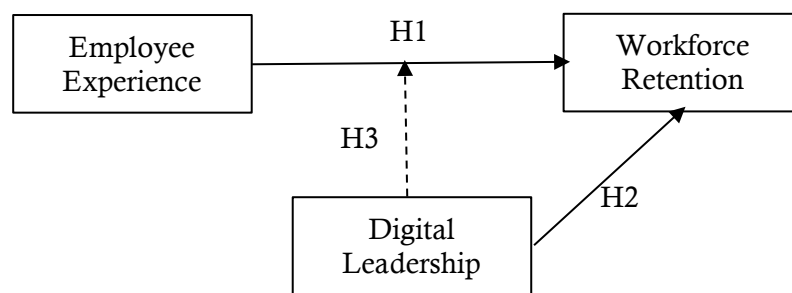


Figure 1. Research Framework

Based on Figure 1, the diagram illustrates the conceptual framework of the study. Employee experience directly influences workforce retention, while digital leadership has both a direct effect on retention and a moderating effect on the relationship between employee experience and retention. This indicates that effective digital leadership not only strengthens employee commitment independently but also amplifies the positive impact of employee experience on retention in a hybrid work environment.

## RESEARCH METHODS

This study adopts a quantitative approach with an explanatory design to examine causal relationships among variables and the moderating mechanisms between employee experience, digital leadership, and workforce retention. The explanatory design was chosen as it allows empirical testing of the influence of employee experience on workforce retention while simultaneously assessing the moderating role of digital leadership in hybrid work systems. This approach is grounded in a positivistic paradigm, emphasizing objectivity through numerical data and rigorous statistical analysis, thereby enabling generalization across industrial sectors that have undergone digital transformation in Berau Regency.

The research population comprised all formal sector employees in Berau Regency in 2025, totaling 76,491 individuals, with a strategic focus on mining enterprises (60%) and supporting services (40%) implementing hybrid work models, combining office-based and remote work. The sample size was determined to be 384 respondents using the Slovin formula with a 5% margin of error, also satisfying the 10-times rule for PLS-SEM analysis. A stratified purposive sampling technique was applied, with inclusion criteria requiring participants to be permanent or contract employees with a minimum of one year of hybrid work experience and working under supervisors practicing digital leadership.

Data were collected via structured online questionnaires using a five-point Likert scale. The research instruments were adapted from validated scales in the scholarly literature. Employee experience was operationalized through dimensions of physical environment, technology, and organizational culture (John et al., 2023). Workforce retention was measured using affective commitment and retention intention indicators, while digital leadership was evaluated based on dimensions of digital vision, technological literacy, and adaptive leadership (Petrilli et al., 2024). Prior to full-scale distribution, a pilot study was conducted to ensure content and face validity within the local context of Berau Regency.

Data analysis was performed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS 4.0 software. PLS-SEM was selected for its ability to handle complex models with moderating variables without strict normality assumptions. The analysis consisted of two stages. The first stage, the measurement model (outer model), tested convergent validity through Average Variance Extracted (AVE > 0.50), and reliability through Cronbach’s alpha and Composite Reliability (CR > 0.70). The second stage, the structural model (inner model), assessed the significance of relationships among variables, R-square values, and moderation effects via bootstrapping with 5,000 subsamples (Hair et al., 2022). Interaction tests were conducted to verify digital leadership as a moderator between employee experience and workforce retention.

This study adheres to international ethical standards in accordance with the Helsinki Declaration. All participants received informed consent detailing the research purpose and their right to withdraw at any time without penalty. Anonymity and data confidentiality were strictly maintained; all respondent identities were encrypted, and data were used exclusively for academic purposes.

**RESULTS**

This section presents the research findings based on the data collected and analyzed. It aims to provide a clear and systematic account of the results, highlighting patterns, relationships, and significant observations relevant to the research objectives. The presentation is structured to facilitate an understanding of how the findings address the study’s key questions and hypotheses.

**Table 1.** Demographic Profile of Respondents

Demographic Variables	Classification	Frequency	Percentage (%)
Gender	Male	238	62.0%
	Female	146	38.0%
Age Groups	18 – 24 years	46	12.0%
	25 – 40 years	284	74.0%
	> 40 years	54	14.0%
Educational Level	High School / Equivalent	76	19.8%
	Diploma / Bachelor’s Degree	308	80.2%
Work Sector	Mining & Extractive Industry	230	60.0%
	Supporting Services & Government	154	40.0%
Years of Experience	1 – 3 years	161	42.0%
	> 3 years	223	58.0%
Digital Tool Usage	1 – 2 Platforms	31	8.0%
	> 2 Platforms (Intensive)	353	92.0%

Table 1 shows that the analysis of the demographic profile of the participants establishes a crucial contextual foundation for understanding data representation within the hybrid work ecosystem in Berau Regency. Based on a survey conducted among 384 participants, the data distribution reveals a diverse background that reflects the formal sector labor structure in the region. The composition of respondents is dominated by males at 62%, a reasonable anomaly given that the mining sector remains the primary contributor to employment in Berau. Regarding age, the majority of respondents fall within the 25-40 year range (74%), indicating that the productive age workforce or the

millennial generation constitutes the primary group most adaptive to the transformation of hybrid work systems.

In a more profound sense, occupational characteristics indicate that 58% of respondents have a tenure of over three years, with specific experience in hybrid work models for at least one year. The level of educational literacy is also remarkably high, with more than 80% of respondents being graduates of higher education (Diploma and Bachelor's degrees). This reinforces the validity of the research findings, as the respondents possess adequate intellectual capacity to evaluate their work experiences objectively. Furthermore, the institutional distribution shows a balanced proportion between the mining sector (60%) and the supporting services and government sectors (40%), consistent with the established stratified sampling design.

An intriguing phenomenon was identified in the technical profile of the respondents, where nearly all (92%) reported using more than two digital platforms, such as Microsoft Teams, Zoom, or internal corporate systems, intensively on a daily basis. This high level of technological exposure confirms that the respondents are not merely performing hybrid work but have become digitally integrated within their professional daily lives. This characteristic serves as an essential prerequisite for the analysis of the digital leadership variable, as subordinate perceptions of leaders are highly dependent on the quality of digital interactions occurring during the hybrid transition process. Collectively, the respondent profiles in this study have satisfied the aspects of population representation and data adequacy required to proceed to the Structural Equation Modeling (SEM) testing phase.

Testing of the measurement model is carried out to ensure the validity and reliability of the construct before structural analysis. All indicators in the variables employee experience, digital leadership, and workforce retention show an outer loading value above the threshold of 0.70, which indicates the consistency of the indicator in adequately representing the latent construct. The Average Variance Extracted (AVE) value of each variable exceeds 0.50, so that it meets the criteria of convergent validity.

**Table 2.** Summary of Measurement Model Evaluation

Construct	Indicator	Outer Loading	Cronbach's Alpha	CR	CA	AVE	Remarks
Employee Experience (EX)	EX1	0.881	0.936	0.951	0.892	0.795	Reliable & Valid
	EX2	0.888					
	EX3	0.907					
	EX4	0.904					
	EX5	0.889					
Digital Leadership (DL)	DL1	0.876	0.944	0.955	0.882	0.778	Reliable & Valid
	DL2	0.901					
	DL3	0.905					
	DL4	0.892					
	DL5	0.897					
	DL6	0.884					
Workforce Retention (WR)	WR1	0.854	0.890	0.924	0.867	0.752	Reliable & Valid
	WR2	0.881					
	WR3	0.873					
	WR4	0.862					

Table 2 shows that the evaluation results of the measurement model demonstrate that all indicators for the constructs of employee experience, digital leadership, and workforce retention possess outer loading values exceeding the 0.70 threshold. This condition confirms that each indicator provides a substantial contribution to representing the measured latent constructs. These high loading values indicate that the variance of the indicators is primarily explained by the construct rather than measurement error, thereby firmly establishing indicator reliability. Regarding the employee experience construct, the outer loading range between 0.881 and 0.907 indicates a high consistency in respondent perceptions toward the measured dimensions of work experience. This suggests that

aspects of the digital work environment, organizational support, and the flexibility of hybrid systems constitute a coherent conceptual unity. Similarly, for the digital leadership construct, loading values ranging from 0.876 to 0.905 demonstrate that the dimensions of digital vision, technological literacy, and adaptive leadership are empirically integrated as a solid construct. For workforce retention, the consistency of the indicators (0.854 to 0.881) confirms that affective commitment and retention intention serve as stable reflections of labor retention within the context of this study.

Cronbach’s Alpha and Composite Reliability (CR) values for all three constructs surpass the 0.70 threshold, falling into the highly robust category, exceeding 0.90 for employee experience and digital leadership. This signifies a high degree of internal consistency and minimizes the potential for inconsistency among indicators. The fact that CR values are higher than Alpha values also indicates that this reflective model possesses a more precise reliability estimate, as recommended in contemporary PLS SEM approaches. Furthermore, the Average Variance Extracted (AVE) for all constructs is well above the 0.50 benchmark. This implies that more than 75% of the indicator variance can be explained by their respective latent constructs.

Once the measurement model is declared to meet the criteria of validity and reliability, the next stage is to evaluate the structural model to test the causal relationship between the constructs and assess the strength of the direct and moderating effects. The results of the structural model analysis show that the value of the determination coefficient ( $R^2$ ) for workforce retention is in the moderate to strong category, which means that employee experience and its interaction with digital leadership are able to explain the proportion of variance in labor retention substantially in the context of hybrid work in Berau Regency.

**Table 3.** Coefficient of Determination and Predictive Relevance

Variable	Value
Dependent Variable	Workforce Retention
$R^2$	0.672
Adjusted $R^2$	0.668
$Q^2$	0.514

Table 3 shows that the analysis indicates an  $R^2$  value of 0.672, explaining 67.2% of the variance in workforce retention. Based on the classification in PLS-SEM, this value is in the moderately strong category, which indicates that the model has substantive explanatory power in the context of hybrid work in Berau Regency. The  $Q^2$  value of 0.514 further emphasizes that the model has high predictive relevance and is not just a statistical fit. Next, evaluate structural models to test the causal relationships between constructs and assess the strength of direct and moderating effects. The following are the results of bootstrapping on the results of the research conducted.

**Table 4.** Structural Model Evaluation Results

Relationships	$\beta$ (Path Coefficient)	t-statistic	p-value	$f^2$	Verdict
Employee Experience → Workforce Retention	0.548	11.732	0.000	0.412	Significant
Digital Leadership → Workforce Retention	0.276	4.985	0.000	0.129	Significant
Employee Experience × Digital Leadership → Workforce Retention	0.184	3.421	0.001	0.071	Significant

Table 4 shows that the path coefficient between employee experience and workforce retention ( $\beta = 0.548$ ;  $t = 11.732$ ;  $p < 0.001$ ) demonstrates a strong and highly significant positive influence. This coefficient magnitude suggests that a single unit improvement in the quality of work experience contributes to an increase in labor retention by 0.548 units within the standardized model. The effect size ( $f^2 = 0.412$ ) falls into the large category, implying that employee experience provides a substantive contribution to the predictive power of the model. Substantively, these findings confirm that a holistically designed

work experience encompassing technological support, work flexibility, and organizational interaction quality is a primary determinant of sustained employee commitment within hybrid work systems. In essence, retention is not merely an administrative consequence but rather a reflection of work experiences perceived as meaningful and equitable.

The path of digital leadership toward workforce retention also exhibits strong significance ( $\beta = 0.276$ ;  $t = 4.985$ ;  $p < 0.001$ ) with a medium category effect size ( $f^2 = 0.129$ ). Although the coefficient is lower than that of employee experience, these results indicate that digital leadership capacity maintains a direct role in enhancing the propensity of employees to remain. Interpretively, adaptive and communicative digital leadership can foster a sense of directional clarity, psychological safety, and trust within technology-based work environments. Such conditions reinforce the emotional stability of employees when navigating the dynamics of hybrid work.

The moderating effect of digital leadership. The interaction effect between employee experience and digital leadership ( $\beta = 0.184$ ;  $t = 3.421$ ;  $p = 0.001$ ) confirms that digital leadership serves as a significant moderator. The effect size ( $f^2 = 0.071$ ) is classified within the small to medium range yet remains statistically and conceptually meaningful. A positive coefficient on the interaction variable indicates that the relationship between employee experience and workforce retention is strengthened when digital leadership is high. This implies that the quality of work experience does not function in isolation to produce retention; its effectiveness is enhanced when supported by competent digital leadership. This finding illustrates an amplifying interaction pattern, where digital leadership acts as a catalyst that optimizes the impact of work experience on employee loyalty. Within the hybrid work context, technology serves only as an enabler; the transformation of experience into commitment depends on how leaders strategically and empathetically orchestrate these digital systems.

## **DISCUSSION**

The results show that employee experience has a strong and significant positive impact on workforce retention, serving as a foundational factor for sustained commitment, especially in hybrid work settings. Social Exchange Theory explains that supportive organizational environments, technological, cultural, and flexible, encourage employees to reciprocate with loyalty and intention to stay. Recent studies by Darmawan and Napitupulu (2023) and Zhang and Chen (2024) confirm that positive digital work experiences strengthen emotional attachment and reduce turnover, while Kniffin et al. (2021) highlight that perceptions of organizational support, rather than system design, drive hybrid work effectiveness. In regions like Berau Regency, work experience remains the primary retention determinant despite economic pressures, with substantial effect sizes demonstrating strong predictive power. Aligning with Wandycz-Mejias (2025), meaningful work experiences reinforce professional identity, positioning employee experience as a stabilizing mechanism during organizational disruption.

Beyond the direct effect, digital leadership has a positive and significant influence on workforce retention. According to López-Figueroa et al. (2025), digital leadership is defined by the integration of strategic vision, technological competence, and social sensitivity in virtual environments, which collectively strengthen retention by providing guidance, building virtual trust, and facilitating psychological empowerment. Nurhidayah and Muliensyah (2024) and Qiao et al. (2024) further confirmed that high-quality digital leadership enhances the translation of positive work experiences into organizational loyalty. Conversely, Bondanini et al. (2025) and Asfahani (2025) argued that low-quality digital leadership may erode these benefits, as ambiguity, excessive digital interaction, or lack of empathy induces fatigue and reduces organizational attachment. This aligns with socio-technical systems theory, which, as posited by Almazrouei et al. (2025), emphasizes that retention in hybrid ecosystems emerges from the dynamic interplay between individual work experience and leadership capacity.

Beyond its direct impact, digital leadership functions as a contingency variable that amplifies the relationship between employee experience and workforce retention. López-Figueroa et al. (2025) emphasize that digital leadership integrates strategic vision, technological proficiency, and social sensitivity in virtual spaces, enabling leaders to bridge organizational systems and employees' psychological needs. Qiao et al. (2024) further confirm that adaptive digital leadership transforms perceived flexibility into meaningful autonomy, strengthening long-term commitment. Within contingency leadership theory, Shahzad (2024) posits that organizational practices only yield optimal outcomes when aligned with a supportive leadership context, meaning that hybrid work arrangements, however well-designed, require effective leadership to translate into retention.

When digital leadership quality is low, positive work experiences lose their retention momentum. Bondanini et al. (2025) demonstrate that flexibility without role clarity generates ambiguity, while digitally intense interactions lacking empathy escalate technological fatigue, converting work experience into a burden rather than an attachment. Qiao et al. (2024) and Liao et al. (2024) confirm this reinforcement pattern, showing that as leadership quality improves, the influence of employee experience on retention strengthens. Van Vugt et al. (2024) and Asfahani (2025) further argue that without leaders capable of building virtual trust and providing clear direction, positive work experiences do not automatically produce loyalty. From a socio-technical systems perspective, Contreras et al. (2020) and Almazrouei et al. (2025) collectively affirm that retention in hybrid ecosystems is ultimately determined by the quality of leadership orchestration, not technological sophistication alone.

The findings imply that organizations aiming to enhance workforce retention in hybrid environments should prioritize the development of digital leadership capabilities alongside improving employee experiences. Investment in leadership training, virtual communication skills, and empathetic management can amplify the benefits of flexible work arrangements, reduce digital fatigue, and foster long-term organizational loyalty. This suggests that technological solutions alone are insufficient, strategic orchestration of human and digital resources is essential to sustain commitment and performance in evolving work ecosystems.

## **CONCLUSION**

This study concludes that employee experience is the main determinant of workforce retention in a hybrid work system. Quality of work experience that includes technology support, structural flexibility, and a supportive work environment has been shown to significantly increase employees' propensity to stay put. Moreover, digital leadership has a positive and significant direct effect on workforce retention, as leaders' competence in guiding digital work, fostering trust, and facilitating engagement directly encourages employees' commitment to remain in the organization. In addition, digital leadership not only has a direct effect on retention but also acts as a moderation variable that strengthens the relationship between employee experience and retention commitment. These findings confirm that retention in a hybrid work ecosystem is not solely the result of flexibility policies or technology investments, but rather the outcome of an integration between meaningful work experiences and adaptive digital leadership. Thus, the sustainability of the workforce in the context of digital transformation is highly determined by the capacity of leaders in managing virtual interactions, building trust, and maintaining clarity of communication across workspaces.

Organizations should develop retention strategies that enhance work experience and strengthen digital leadership, including training in technology literacy, empathetic virtual communication, and boundary management, while designing hybrid policies that address employees' psychological needs to prevent role ambiguity. This study has several limitations, including being conducted in a specific regional context, using a cross-sectional design that limits causal inference, and focusing only on work experience and digital leadership while leaving out other factors like organizational culture, engagement,

or individual resilience that may affect retention. For further research, it is recommended to conduct longitudinal studies to capture long-term retention dynamics and explore mediating variables such as work involvement or psychological well-being. A cross-regional comparative approach is also important to enrich the generalization of findings in the context of diverse digital transformations.

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