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The Influence of Digital Culture, Person- Organization Fit, and Turnover Intention on Employee Performance in the Construction Consulting Services Business

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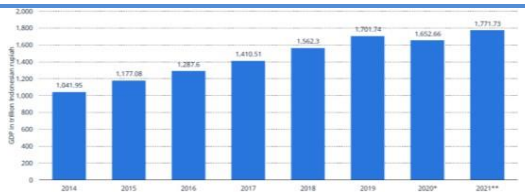
Abstract

The construction consulting services industry plays a critical role in infrastructure development, requiring high levels of employee performance to meet organizational goals. This study examines the influence of digital culture, person-organization fit (P-O Fit), and turnover intention on employee performance in the construction consulting services business. Using a quantitative approach, the study employs a structural equation modeling (SEM) method to analyze data collected through a census survey of 275 employees at PT XYZ. The results reveal that digital culture positively impacts P-O Fit, turnover intention, and employee performance. P-O Fit also significantly influences turnover intention and employee performance, while turnover intention negatively affects employee performance. Furthermore, digital culture influences turnover intention and employee performance through P-O Fit as a mediating variable. These findings underscore the importance of fostering a strong digital culture and alignment between employee and organizational values to enhance performance and reduce turnover intention in a rapidly evolving business environment.

Keywords: *digital culture, person-organization fit, turnover intention, employee performance, construction consulting services.*

INTRODUCTION

The construction services industry in Indonesia has experienced significant growth in recent years, contributing approximately 10.5% to the country's GDP in 2021. With annual growth rates of 6-7% as reported by pu.go.id (2012), this figure is projected to rise to 10-15% by 2050, supported by the Masterplan for Acceleration and Expansion of Indonesia's Economic Development (MP3EI). The government's focus on infrastructure development, such as toll roads, bridges, airports, and ports, has created substantial opportunities for construction companies to participate in strategic projects (Siyal, Xin, Peng, Siyal, & Ahmed, 2020). This growth highlights the sector's vital role in Indonesia's economy and underscores the increasing need for efficiency, effectiveness, and accountability in project execution (Ramos, Ferreira, & Martins, 2021). In 2021, the construction sector contributed IDR 1.77 quadrillion to GDP, reflecting its significance alongside agriculture and retail industries, as emphasized by President Joko Widodo's commitment to improving nationwide connectivity and economic growth (Wang, Zhu, & Jin, 2024).



Source: Statista, 2023

Figure 1. Construction Gross Domestic Product in Indonesia 2014-2021

In this context, the role of planning consultants in the construction sector is crucial. These professionals are responsible for designing and managing construction projects, including government-led infrastructure development, ensuring safety, quality, and sustainability through technically compliant plans (Tang, Shao, Chen, & Ma, 2021). The increasing variety and scale of construction projects have driven a significant rise in the number of companies involved, particularly planning consultancy firms, reflecting the growing demand for experts in this field. Planning consultants, defined as individuals or legal entities responsible for comprehensive building designs in architecture, civil engineering, and related fields (Ucar, Alpkan, & Elci, 2021), play a pivotal role in project success. They oversee the initial planning and design phases, which heavily influence strategic decisions and project

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budgets, while also acting as intermediaries between project owners and contractors. Their work involves creating detailed documents, such as specifications, drawings, budgets, and other supporting materials, and overseeing project execution until the handover phase (Zeng & Hu, 2024). The industry's growth has also fostered advancements in the number and quality of planning consultants in Indonesia, with many firms adopting advanced technologies and expanding their expertise to handle increasingly complex projects (Graczyk-Kucharska & Erickson, 2020). Regulatory changes and the surge in large-scale infrastructure development over the past four years have further propelled the growth of prominent consultancy firms, as noted by the National Association of Indonesian Consultants (Inkindo).

Data from the National Construction Services Development Agency (LPJKN) shows that in 2018, there were 405 large consulting firms, growing at an average annual rate of 16.82% between 2015 and 2018 (Zhao, Tian, Sun, & Zhang, 2021). During the same period, small and medium-sized consulting firms grew at an average annual rate of 5.96% and 6.49%, respectively, with 6,860 small firms and 935 medium firms recorded in 2018. By 2020, the Central Bureau of Statistics (BPS) reported 9,782 construction consultants in Indonesia, including 34 foreign investment consultants, 46 foreign consultants, and 9,702 national consultants. In West Java alone, there were 950 consulting firms in 2020 (Urrutia Pereira, de Lara Machado, & Ziebell de Oliveira, 2022). However, by 2022, over 12,000 construction companies were operating in West Java, indicating increasing competition. PT XYZ faces significant challenges in competing with firms offering superior advantages, limiting its ability to secure larger clients and potentially threatening its long-term viability. To address this, companies must leverage skilled human resources capable of adapting to global demands and rapidly changing market conditions, emphasizing strategic human resource management to enhance organizational effectiveness and competitiveness (Rane, 2024).

PT XYZ Planning Consultant is currently facing challenges related to both company performance and employee performance. Over the past few years, the company has struggled to meet its revenue targets. A summary of the revenue targets versus actual revenue for the years 2017-2023 is presented in Table 1. below.

Table 1. PT XYZ Performance Achievements for the 2017-2023 Period

No.	Year	Target Revenue (IDR)	Actual Revenue (IDR)	Achievement (%)
1	2017	75,000,000,000.00	63,770,000,000.00	85.03%
2	2018	80,000,000,000.00	66,430,000,000.00	83.04%
3	2019	80,000,000,000.00	80,720,000,000.00	100.90%
4	2020	91,000,000,000.00	65,040,000,000.00	71.47%
5	2021	80,000,000,000.00	67,200,000,000.00	84.00%
6	2022	91,630,000,000.00	64,493,808,761.00	70.39%
7	2023	100,000,000,000.00	64,269,402,793.00	64.27%

Source: PT XYZ Data, 2023

Based on the revenue target and realization data for the past seven years (2017-2023) in Table 1, it is evident that the company failed to meet its revenue targets except in 2019 (100.90%). The unmet revenue impacts the company's ability to achieve its goals and objectives, potentially causing financial instability and missed business opportunities. PT XYZ's revenue primarily comes from project-based income. However, the company has experienced a decline in the number of acquired projects over the same period, as shown in Table 2 below.

Table 2. Number of Projects Awarded to PT XYZ (2017-2023)

No.	Year	Number of Awarded Projects
1	2017	40
2	2018	45
3	2019	38
4	2020	33
5	2021	34
6	2022	46
7	2023	33

Source: *PT XYZ Data, 2023*

Table 2 highlights a consistent decline in the number of projects secured by the company, which has adversely affected overall revenue and impacted its ability to cover operational costs, pay employees, and invest in business development. This challenge is closely linked to employee performance, as employees play a critical role in executing projects. Their efficiency, quality of work, and ability to meet targets significantly influence project success and, ultimately, the company's revenue. Optimal employee performance not only ensures successful project delivery but also enhances the company's reputation, paving the way for new opportunities and stronger client relationships.

Interviews with a senior Project Manager at PT XYZ revealed key issues affecting employee performance, including missed deadlines, recurring customer complaints, and a lack of technical expertise in specific areas, impacting work quality

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and efficiency. Additionally, project management challenges, such as ineffective planning and execution, were highlighted, alongside inconsistent work quality that risks damaging the company's reputation. The role of digital culture was also emphasized, as the company faces growing client demands for advanced digital tools like BIM, automation, and online collaboration platforms to enhance efficiency and communication. However, challenges in adopting digital culture include resistance to change, insufficient employee skills, costly technology investments, and complex system integration. Successfully implementing this transformation requires strong senior management support and a clear strategy to bridge these gaps.

Person-Organization Fit (P-O Fit) significantly impacts employee performance, as alignment between individual and organizational values enhances productivity and reduces turnover intention (Elmetwaly, 2024). However, interviews with PT XYZ employees revealed challenges in maintaining P-O Fit due to financial constraints, limiting the company's ability to retain skilled workers with competitive compensation. Additionally, turnover intention has negatively affected PT XYZ's performance, causing gaps in work experience, disrupted communication, and reduced employee motivation and discipline. High turnover rates, influenced by personal factors such as relocation or further education, also increase recruitment and training costs, hindering organizational stability and efficiency.

Research by (Naz et al., 2020) found that turnover rates of 5% or more within a year indicate potential issues, while (Uchedili, 2023) considers a 5-10% turnover rate normal and rates above 10% high. PT XYZ faces significant challenges due to high turnover, including the loss of valuable knowledge and expertise, increased recruitment and training costs, and disruptions to project continuity. These issues impact service quality, project timelines, and employee morale, as remaining staff may feel uncertain about their job stability. This study explores the impact of digital culture on employee performance, incorporating Person-Organization Fit (P-O Fit) and turnover intention as intervening variables. By focusing on the understudied context of planning consultants at PT XYZ, this research aims to contribute novel insights into how digital culture influences employee performance in the construction consulting industry. The study addresses practical and research gaps through its comprehensive examination of these variables.

RESEARCH METHODS

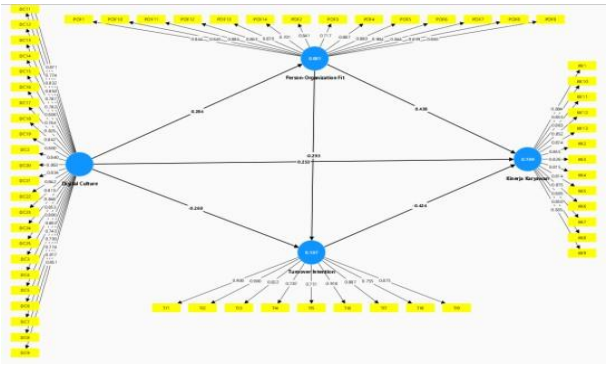
This research adopts an associative (explanatory/predictive) design to explore and predict cause-effect relationships between variables, employing a positivist paradigm that emphasizes empirical data and hypothesis testing (Sugiyono, 2019b). Utilizing a quantitative methodology, the study applies surveys and systematic statistical analyses, focusing on the employees of PT XYZ planning consultants in Bandung as the unit of analysis (Sugiyono, 2019a). The research spans November 2023 to May 2024, with cross-sectional data collection. Operational definitions for variables like digital culture, Person-Organization Fit (P-O Fit), turnover intention, and employee performance are based on established frameworks, measured through Likert-scale questionnaires to ensure clarity and consistency (Sugiyono, 2021).

Data analysis is conducted using Structural Equation Modeling (SEM) with Partial Least Squares (PLS) via SmartPLS software (Sugiyono, 2018). SEM enables the simultaneous testing of complex relationships between exogenous and endogenous variables, employing evaluations like R-Square, Predictive Relevance (Q^2), and Path Coefficients. Hypothesis testing employs bootstrapping methods to assess statistical significance (Sugiyono, 2017). A pilot test ensures the reliability and validity of the instruments, while the inclusion of mediation analysis identifies indirect effects among variables (Creswell & Creswell, 2018). This comprehensive approach aims to uncover the interplay between digital culture, P-O Fit, turnover intention, and employee performance in the context of PT XYZ (Mubarok, 2025).

RESEARCH and DISCUSSION

A. Evaluation Results of the Measurement Model (Outer Model)

Outer loading represents the correlation between an indicator and its latent variable, with higher values indicating stronger relationships. An outer loading > 0.7 is acceptable, as it shows that approximately 50% of the indicator's variability is explained by the latent variable. Values < 0.4 are always eliminated, while values between 0.4 and 0.7 may be considered for removal if doing so improves composite reliability or average variance extracted (AVE). The results for outer loading values are presented in Figure 2 using SmartPLS analysis.



Source: SmartPLS, 2024

Figure 2. Smart PLS Results: Outer Loading

The convergent validity test results, based on outer loading values, indicate that all indicators in this study are suitable for measuring their respective latent constructs. With outer loading values exceeding 0.7, as per (I Ghozali, 2018) criteria, all indicators meet the requirements for convergent validity. Thus, the latent constructs of digital culture, employee performance, Person-Organization Fit (P-O Fit), and turnover intention are appropriately measured by their respective indicators, confirming the robustness of the measurement model.

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The average variance extracted (AVE) represents the average proportion of variance in the indicators explained by a latent variable or construct. A higher AVE indicates a stronger ability of the latent variable to account for the variance in its indicators. An AVE value greater than 0.5 signifies that the latent variable absorbs more than 50% of the information from its indicators. The minimum acceptable threshold for AVE is 0.5, meaning AVE values > 0.5 are considered acceptable.

Table 3. Smart PLS Results: Average Variance Extracted (AVE)

Variable	Average Variance Extracted (AVE)	Description
Digital Culture	0.667	Valid
Person-Organization Fit	0.712	Valid
Turnover Intention	0.716	Valid
Employee Performance	0.714	Valid

Source: SmartPLS, 2024

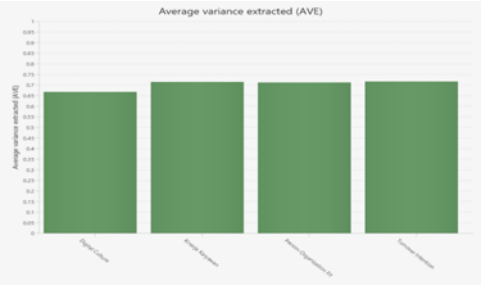

Figure 3. Smart PLS Results: Average Variance Extracted (AVE)

Table 3 and Figure 3 present the AVE values calculated to assess the proportion of variance explained by each construct for its indicators, with the commonly accepted minimum threshold being 0.5. The results indicate that all latent variables in this study have AVE values ranging from 0.667 to 0.714, exceeding the 0.5 benchmark. This demonstrates that the measurement model explains more than 50% of the variance in its indicators, confirming that each construct effectively accounts for the variation in its indicators. Overall, the convergent validity of the measurement model has been well-established using AVE, following the recommended guidelines.

In the context of PLS-SEM, construct reliability is considered a more suitable measure of reliability compared to Cronbach's Alpha. Alongside Cronbach's Alpha, Dillon-Goldstein's rho (also known as construct reliability) is another measure used to test unidimensionality. Dillon-Goldstein's rho is regarded as superior to Cronbach's Alpha because it accounts for the extent to which a latent variable explains its block of indicators. A construct reliability value greater than 0.7, or Dillon-Goldstein's rho > 0.7, is considered to indicate unidimensionality of the block of indicators. However, values between 0.6 and 0.7 are still acceptable for exploratory research. Table 4 and Figure 4 present the SmartPLS results for Cronbach's Alpha values.

Table 4. Smart PLS Results: Cronbach's Alpha

Variable	Cronbach's Alpha	Description
Digital Culture	0.979	Reliable
Person-Organization Fit	0.969	Reliable
Turnover Intention	0.950	Reliable
Employee Performance	0.967	Reliable

Source: SmartPLS, 2024

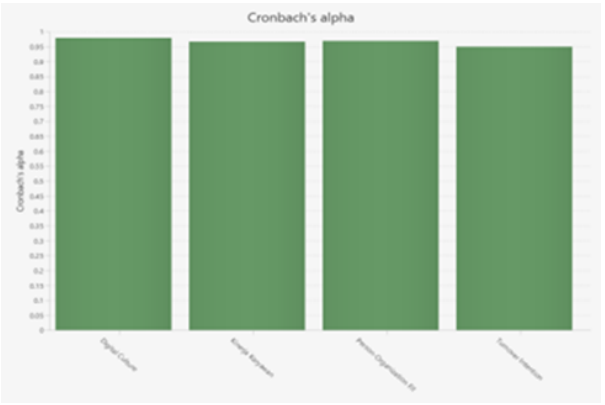

Figure 4. Smart PLS Results: Cronbach's Alpha

Based on Table 4 and Figure 4, it can be concluded that all tested latent constructs exhibit very high reliability. The Cronbach's Alpha values for digital culture, employee performance, Person- Organization Fit (P-O Fit), and turnover intention are 0.979, 0.967, 0.969, and 0.950, respectively, all significantly exceeding the recommended minimum standard of 0.7. This indicates that the indicators used to measure each latent construct demonstrate excellent internal consistency and reliability. Therefore, it can be concluded that all latent constructs meet the reliability criteria using Cronbach's Alpha.

Composite reliability is considered a superior method to Cronbach's Alpha for testing reliability in SEM models. Composite reliability evaluates a construct's measurement using two metrics: internal consistency and Cronbach's Alpha (Imam Ghozali & Latan, 2015). While Cronbach's Alpha tends to be a lower-bound estimate of reliability, composite reliability offers a closer approximation with more accurate parameter estimates (Latan & Ghozali, 2012). The interpretation of composite reliability is similar to Cronbach's Alpha, with a threshold of 0.7 or higher being acceptable. Table 5 and Figure 5 present the SmartPLS results for composite reliability values.

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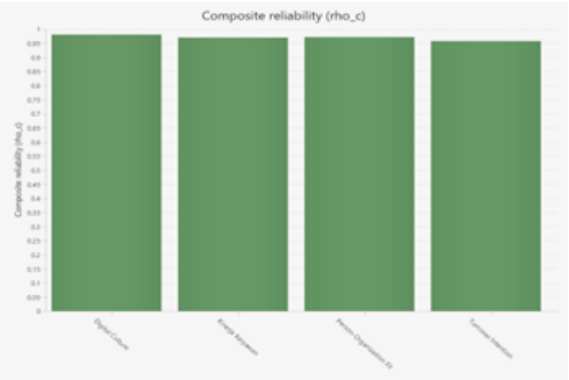
Table 5. Smart PLS Results: Composite Reliability

Variable	Composite Reliability (rho_c)
Digital Culture	0.980
Person-Organization Fit	0.972
Turnover Intention	0.958
Employee Performance	0.970

Source: SmartPLS, 2024



Source: SmartPLS, 2024

Figure 5. Smart PLS Results: Composite Reliability

Based on Table 5 and Figure 5, it can be concluded that all latent constructs have passed the reliability test. The composite reliability values for digital culture, employee performance, Person-

Organization Fit (P-O Fit), and turnover intention are 0.980, 0.970, 0.972, and 0.958, respectively. These values exceed the minimum threshold of 0.7, indicating that the indicators used to measure each construct exhibit high reliability and consistency. This confirms that the constructs are dependable and consistently measured by their respective indicators. According to the composite reliability criteria, it can be concluded that all latent constructs in this study meet the composite reliability standards.

After conducting construct validity and reliability tests, the next step is to assess discriminant validity using the Heterotrait- Monotrait (HTMT) ratio. Discriminant validity is crucial to ensure that each construct in the study is distinct and does not overlap with others. HTMT has gained popularity as a more sensitive method for evaluating discriminant validity, as cross- loading and the Fornell-Larcker Criterion are considered less sensitive. According to (Latan & Ghozali, 2012), a measurement model demonstrates adequate discriminant validity if the HTMT value is below 0.85 or 0.90. The results for HTMT values are presented in Table 6 using SmartPLS analysis.

Table 6. Smart PLS Results: HTMT (Heterotrait-Monotrait Ratio)

Variable	Digital Culture	Employee Performance	Person-Organization Fit
Employee Performance	0.537		
Person-Organization Fit	0.283	0.647	
Turnover Intention	0.354	0.702	0.382

Source: SmartPLS, 2024

Based on the HTMT (Heterotrait-Monotrait Ratio) values shown in Table 6, it can be concluded that all latent constructs have passed the discriminant validity test using the HTMT criteria. The HTMT standard requires that the ratio between heterotrait-heteromethod correlations be less than 0.85. Here, all HTMT values between constructs are below 0.85, which is the recommended maximum threshold. This indicates that each construct is sufficiently distinct from the others and free from cross-loading issues. Therefore, it can be concluded that the measurement model has successfully met the discriminant validity test according to the HTMT criteria, demonstrating that the constructs are theoretically consistent and well-differentiated.

B. Structural Model or Inner Model Evaluation Results

The structural model, or inner model, aims to assess the relative importance of different latent variables by exploring the structural or causal relationships between them. It also tests hypotheses and draws conclusions about both direct and indirect effects, while evaluating the R-square values. Information on T-statistics values is provided in the path coefficient section, which aligns with the p-values generated in the data analysis output.

R-Square (R^2) is a measure indicating the proportion of variance in the dependent variable explained by the independent variables in the model. R^2 ranges from 0 to 1, where higher values indicate a better model fit for explaining data variability. If R^2 equals 0, the model does not explain any variability; if R^2 equals 1, it explains all variability. For values between 0 and 1, higher R^2 indicates a stronger explanatory power of the model.

Table 7. Smart PLS Results: R-Square

Variable	R-Square	R-Square Adjusted
Employee Performance	0.709	0.706
Person-Organization Fit	0.081	0.077
Turnover Intention	0.197	0.191

Source: SmartPLS, 2024

Based on the R-Square values in Table 7, the structural model in this study demonstrates strong explanatory and predictive power. R- Square values indicate the proportion of variance in the dependent variables explained by the independent variables, with higher values closer to 1 indicating better

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explanatory strength. The R-Square values for employee performance (0.709), P-O Fit (0.081), and turnover intention (0.197) meet the criteria, showing that the independent variables explain 70.9%, 8.1%, and 19.7% of the variance in their respective dependent variables. This indicates that the proposed theoretical model is robust in predicting the studied variables, confirming the empirical validity of the research model.

Q-Square (Q^2) is a measure used to evaluate a model's ability to predict dependent variables. It is calculated using the formula $Q^2 = 1 - (SSE/SSO)$, where SSE represents the sum of squared errors and SSO is the total sum of squares. A Q^2 value greater than 0 indicates that the model has good predictive ability. In research, Q^2 provides insight into how well the model explains the variability of observed data. The criteria for evaluating Q^2 are as follows: if $Q^2 > 0$, the model has good predictive ability; if $Q^2 = 0$, the model has no predictive ability; and if $Q^2 < 0$, the model fails to explain data variability.

Table 8. Smart PLS Results: Q-Square

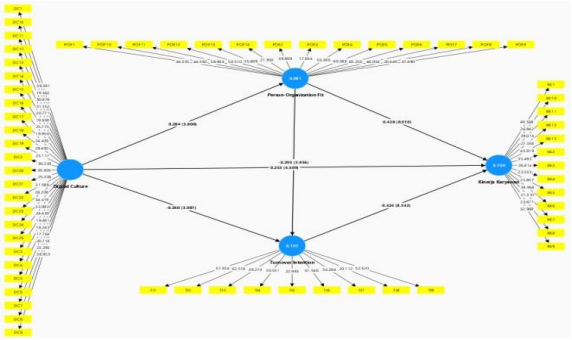
Variable	Q^2 (=1-SSE/SSO)
Employee Performance	0.501
Person-Organization Fit	0.053
Turnover Intention	0.135

Source: SmartPLS, 2024

Based on Table 8, the Q-Square values were tested to evaluate the substantive strength of the model's predictive ability. The Q-Square values were calculated as the difference between SSE and SSO, with a benchmark of > 0. The Q-Square values for employee performance (0.501) and turnover intention (0.135) indicate that the model effectively predicts these variables. However, the Q-Square value for P-O Fit (0.053) suggests weaker predictive ability. Overall, the positive Q-Square values greater than 0 indicate that, except for P-O Fit, the research model demonstrates strong predictive power and effectively predicts observed phenomena, confirming the reliability of the structural model.

Significance testing, or hypothesis testing, is used to determine whether the relationship between independent and dependent variables in a research model is statistically significant. This test typically involves calculating T Statistics and p-values. T Statistics measure the strength of the effect of the independent variable on the dependent variable, while p-values indicate the probability that the observed result occurred by chance. The criteria for significance are as follows: if T Statistics exceed 1.96, the effect is considered significant at a 0.05 significance level. Similarly, if p-values are less than 0.05, the relationship between the independent and dependent variables is statistically significant, whereas p-values equal to or greater than 0.05 indicate a non-significant effect. Therefore, significance testing is a crucial step in confirming the hypotheses proposed in the research.

Figure 6. Smart PLS Results: Significance Test (Hypothesis Test) Effect



Source: SmartPLS, 2024

The significance test results presented in Figure 6 evaluate the relationships between variables in the research model using Original Sample (O), Sample Mean (M), Standard Deviation (STDEV), T Statistics (|O/STDEV|), and p-values. For all hypotheses, T Statistics > 1.96 and p-values < 0.05 indicate significant relationships. Key findings include:

1. Hypothesis 1: Digital culture significantly enhances Person-Organization Fit (T = 3.800, p = 0.000).
2. Hypothesis 2: Digital culture positively impacts employee performance (T = 4.509, p = 0.000).
3. Hypothesis 3: Digital culture negatively affects turnover intention, reducing it (T = 3.007, p = 0.003).
4. Hypothesis 4: Person-Organization Fit reduces turnover intention (T = 3.936, p = 0.000).
5. Hypothesis 5: Person-Organization Fit positively influences employee performance (T = 8.910, p = 0.000).
6. Hypothesis 6: Turnover intention negatively affects employee performance (T = 8.342, p = 0.000).
7. Hypothesis 7: Digital culture improves Person-Organization Fit, which reduces turnover intention (T = 2.413, p = 0.016).
8. Hypothesis 8: Digital culture reduces turnover intention, improving employee performance (T = 2.758, p = 0.006).
9. Hypothesis 9: Digital culture improves Person-Organization Fit, enhancing employee performance (T = 3.261, p = 0.001).
10. Hypothesis 10: Digital culture enhances Person-Organization Fit, reduces turnover intention, and improves employee performance (T = 2.463, p = 0.014).
11. Hypothesis 11: Person-Organization Fit reduces turnover intention, leading to improved employee performance (T = 3.269, p = 0.001).

All hypotheses are supported, confirming the significance of digital culture, Person-Organization Fit, and turnover intention in influencing employee performance.

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C. Discussion of Research Results

Digital Culture Significantly Influences P-O Fit

Digital culture significantly impacts P-O Fit by aligning employee skills and organizational values. Employees comfortable with technology adapt better to organizations emphasizing digital tools like BIM or remote work, fostering alignment (Ba et al., 2024). However, misalignment can occur if digital demands neglect employee needs, especially among senior staff resistant to change (Poláková - Kersten, Khanagha, van den Hooff, & Khapova, 2023). At PT XYZ, young employees embrace digital tools, while older ones struggle, leading to mismatches in expectations and organizational values. To improve alignment, companies should invest in tailored training, mentoring programs, and balanced workloads to support the digital transformation effectively.

Digital Culture Significantly Influences Employee Performance Digital culture enhances employee performance by fostering innovation, collaboration, and data-driven decision-making (Albahriet al., 2023). At PT XYZ, integrating digital tools like BIM boosts efficiency and task accuracy, while digital collaboration improves project timelines. However, the effectiveness of digital culture depends on providing adequate training and resources. Supporting employees' technological adaptability ensures improved individual and team performance, helping PT XYZ meet project goals while maintaining quality.

Digital Culture Significantly Influences Turnover Intention Digital culture significantly reduces turnover intention by promoting flexibility, open communication, and digital collaboration tools

(Urrutia Pereira et al., 2022). At PT XYZ, mismatched digital demands lead some employees, particularly senior ones, to seek other opportunities, as they feel unsupported in adapting to new technologies. Providing sufficient training, tools, and management support is crucial for retaining talent and mitigating dissatisfaction caused by digital transformation challenges.

P-O Fit Significantly Influences Turnover Intention

P-O Fit significantly impacts turnover intention, with higher alignment between employees and organizational values reducing turnover (Ahmad Saufi et al., 2023). At PT XYZ, many employees feel the organization's target-driven culture clashes with their personal work-life balance values. Addressing these mismatches through tailored policies and career development initiatives can improve retention, as well-aligned employees are more likely to stay and contribute positively.

P-O Fit Significantly Influences Employee Performance

P-O Fit positively influences employee performance by enhancing motivation and engagement (Jufrizen, Khair, Annisa, & Hawariyuni, 2023). At PT XYZ, employees aligned with organizational values demonstrate higher productivity and adaptability. Conversely, poor alignment increases stress and reduces efficiency. To maintain high performance, the company should prioritize aligning individual and organizational values through recruitment, training, and workplace improvements.

Turnover Intention Significantly Influences Employee Performance

Turnover intention negatively affects employee performance by reducing motivation and disrupting operations (Xu et al., 2022). At PT XYZ, employees considering leaving show declining focus and productivity, impacting team efficiency and service quality. To counteract this, management should address turnover drivers, such as dissatisfaction and unclear career pathways, to retain key talent and sustain performance levels.

Digital Culture Significantly Influences Turnover Intention Mediated by P-O Fit

Digital culture impacts turnover intention through P-O Fit, with alignment between digital initiatives and employee values reducing turnover (Zhao et al., 2021). At PT XYZ, digital demands sometimes conflict with employee readiness, particularly among senior staff. Aligning digital culture with individual preferences through inclusive training programs and technological support is vital to improving retention and minimizing turnover intention.

Digital Culture Significantly Influences Employee Performance Mediated by Turnover Intention

Digital culture influences performance through reduced turnover intention, promoting collaboration, innovation, and technological adaptation (Trenerry et al., 2021). At PT XYZ, employees skilled in digital tools perform better, but dissatisfaction with digital demands increases turnover intention and disrupts workflows. Addressing these challenges through inclusive digital policies and proper management support can enhance performance while retaining talent.

Digital Culture Significantly Influences Employee Performance Mediated by P-O Fit

Digital culture impacts performance through P-O Fit by aligning employees with organizational values, fostering motivation and productivity (Wang et al., 2024). At PT XYZ, younger employees thrive in a digital-first environment, while older staff struggle with new technologies. Providing sufficient training and balancing workloads helps maintain alignment, ensuring consistent performance improvements driven by digital transformation.

Digital Culture Significantly Influences Employee Performance Mediated by P-O Fit and Turnover Intention

Digital culture enhances performance by increasing P-O Fit and reducing turnover intention, as alignment fosters motivation and reduces disengagement (Behera, 2024). At PT XYZ, digital initiatives boost productivity among adaptable staff but create challenges for those resistant to change. Addressing these gaps through training and support ensures cultural alignment and high performance.

P-O Fit Significantly Influences Employee Performance Mediated by Turnover Intention

P-O Fit enhances performance by reducing turnover intention, as well-aligned employees feel more engaged and motivated

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to contribute (Gürbüz et al., 2024). At PT XYZ, mismatched values increase dissatisfaction and intent to leave, harming performance. Improving alignment through workplace adjustments and career development can reduce turnover intention and sustain high performance levels.

CONCLUSION

This study highlights the critical role of digital culture, P-O Fit, and turnover intention in shaping employee performance within the context of organizational transformation. The findings emphasize the direct positive impact of digital culture on P-O Fit, turnover intention, and employee performance, showcasing its significance in aligning individual and organizational goals while fostering innovation and productivity. Furthermore, the mediating roles of P-O Fit and turnover intention in the relationship between digital culture and employee performance underline the complexity of these interactions, revealing that a well-aligned workforce with organizational values can reduce turnover intention and enhance overall performance. These insights are essential for organizations navigating digital transitions, offering actionable pathways to improve workforce adaptability and organizational effectiveness through strategic cultural and human resource interventions.

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