



Retaining Generation Z Talents in The Hospitality Industry: A Systematic Review and Framework for Bali's Tourism Workforce Development

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Article Info :

Received:

25-06-2026

Revised:

02-06-2026

Accepted:

05-07-2026

Abstract

This study aims to identify the factors influencing Generation Z talent retention in the hospitality industry and to develop a contextualized retention framework for Bali's tourism workforce. A Systematic Literature Review (SLR) was conducted following the PRISMA guidelines, resulting in the inclusion of 31 peer-reviewed journal articles for qualitative synthesis. The findings indicate that Generation Z retention is determined by three interrelated dimensions: intrinsic factors, including meaningful work, work-life balance, and psychological well-being; extrinsic factors, comprising transparent career pathways, fair compensation, collaborative leadership, and inclusive organizational culture; and contextual factors rooted in local cultural values. The review also identifies effective retention strategies, including digital recruitment, structured onboarding, flexible work arrangements, continuous competency development, and holistic well-being initiatives. By contextualizing global evidence within Bali's tourism environment, this study proposes a three-pillar retention framework integrating intrinsic, extrinsic, and contextual dimensions, with Tri Hita Karana and gotong royong serving as key cultural foundations. The proposed framework contributes to hospitality human resource management by providing practical guidance for developing a sustainable and culturally responsive tourism workforce.

Keywords: Generation Z, Hospitality Industry, PRISMA, Talent Retention, Tourism Workforce.



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INTRODUCTION

The hospitality industry represents one of the sectors most severely disrupted by the COVID-19 pandemic, yet it continues to function as a strategic pillar of global economic recovery and employment creation in tourism-dependent economies (Baum & Goh, 2026). Contemporary workforce recovery is no longer determined solely by business revitalization but increasingly by organizations' capacity to retain younger employees whose work values differ fundamentally from those of previous generations (Salvadorinho et al., 2025). Generation Z has rapidly become the dominant cohort entering hospitality organizations, bringing digitally oriented mindsets, stronger expectations of flexibility, meaningful work, inclusiveness, and continuous career development that reshape conventional human resource management practices (Kapuściński et al., 2023). Their extensive interaction with artificial intelligence, digital platforms, and technology-mediated workplaces further accelerates changes in employment expectations and organizational relationships, compelling hospitality firms to redesign talent management strategies beyond traditional retention approaches (Leite et al., 2026). The growing integration of digital-native behaviors into hospitality work environments simultaneously creates opportunities for innovation while intensifying managerial challenges in sustaining employee commitment and organizational attachment (Fu et al., 2024). Within tourism-dependent destinations such as Bali, where hospitality constitutes the backbone of regional competitiveness and socioeconomic resilience, the ability to retain Generation Z talent increasingly represents a strategic prerequisite for sustainable tourism workforce development rather than merely an operational human resource concern.

Existing scholarship consistently demonstrates that Generation Z retention is shaped by a multidimensional interaction between organizational culture, meaningful work, career opportunities, employee engagement, and psychological well-being rather than by compensation alone (Ababneh et al., 2026). Research has shown that organizational inclusiveness, diversity management, and career adaptability strengthen person-job fit, ultimately increasing employees' intention to remain within

hospitality organizations despite the demanding nature of service work (Zhou et al., 2025). Studies focusing on employment expectations similarly reveal that flexible career pathways, supportive leadership, and positive workplace experiences substantially influence organizational commitment among young hospitality professionals (Galea Bugeja, 2022). Parallel systematic reviews in talent management emphasize that inclusive talent development and employer branding constitute increasingly important mechanisms for attracting and retaining high-quality employees in highly competitive labor markets (Kaliannan et al., 2023). Broader evidence further indicates that employee engagement becomes more sustainable when organizations simultaneously cultivate meaningful work experiences and psychological embeddedness, particularly following periods of organizational disruption (Andrić et al., 2023). Collectively, these findings suggest that retaining Generation Z requires an integrated organizational ecosystem in which developmental opportunities, workplace culture, and employee experience operate as mutually reinforcing mechanisms rather than isolated managerial interventions.

Despite this expanding body of knowledge, substantial conceptual and empirical fragmentation continues to characterize the literature concerning Generation Z retention within hospitality. Current investigations remain predominantly concentrated on individual countries, organizational settings, or isolated determinants, limiting the development of transferable theoretical explanations across diverse tourism destinations (Sin et al., 2022). Recent bibliometric evidence also reveals that research concerning Generation Z and the hotel industry has developed rapidly but remains disconnected across themes such as employer attractiveness, sustainability, technology adoption, and talent management without producing an integrated retention framework (Toboso-Gómez et al., 2025). Systematic reviews focusing on employer branding or general talent retention similarly emphasize fragmented theoretical perspectives that insufficiently explain how multiple organizational factors jointly influence long-term employee retention in hospitality (Kilson, 2025). Emerging industry evidence indicates that luxury hospitality organizations continue experiencing significant challenges in attracting and retaining Generation Z employees despite adopting various human resource innovations, suggesting that existing theoretical prescriptions have yet to translate consistently into organizational practice (Giousmpasoglou & Nguyen, 2025). Equally important, the growing prevalence of platform-based employment and alternative career pathways has transformed how young workers evaluate organizational commitment, introducing labor-market dynamics that remain insufficiently incorporated into hospitality retention research (Meijerink et al., 2024).

These unresolved issues become particularly significant in Bali, where hospitality-driven tourism depends heavily on maintaining a stable, competent, and locally embedded workforce capable of sustaining international service standards. The increasing migration of skilled young employees toward overseas hospitality employment, cruise industries, and alternative career opportunities intensifies talent shortages while weakening organizational continuity within local tourism businesses (Giousmpasoglou & Nguyen, 2025). Contemporary evidence further indicates that Generation Z increasingly evaluates employers according to opportunities for professional growth, emotional support, and practical capability development, making conventional retention strategies progressively less effective (Khuadthong et al., 2025a). Recent studies also demonstrate that future hospitality professionals increasingly prioritize sustainability values, ecological awareness, and socially responsible organizational practices, suggesting that workforce retention should be interpreted through broader developmental and cultural dimensions rather than purely economic incentives (Khuadthong et al., 2025b). Evidence from broader talent management literature similarly argues that frontline and essential service sectors require a substantial reframing of talent management priorities because conventional human resource models inadequately address the evolving expectations of younger employees (Schinnenburg & Böhmer, 2025). The persistence of these challenges highlights the necessity of developing a more comprehensive conceptual understanding capable of translating globally accumulated evidence into context-sensitive workforce development strategies for tourism destinations such as Bali.

The present study positions itself within this scholarly landscape by addressing the fragmentation of previous hospitality retention research through a systematic literature review that synthesizes contemporary international evidence into a coherent conceptual framework for Generation Z talent retention. Rather than examining isolated antecedents, this research adopts an integrative perspective that connects organizational culture, meaningful work, engagement, career development, motivation,

technological transformation, and employer attractiveness into a unified explanatory structure. The study also extends existing knowledge by interpreting global evidence through the socioeconomic characteristics of Bali's tourism industry, where workforce sustainability possesses strategic implications extending beyond organizational performance toward regional tourism resilience. This approach responds to the growing demand for evidence-based human resource innovation capable of supporting sustainable tourism development while accommodating rapidly evolving workforce expectations. The resulting framework is intended to serve as a conceptual bridge between international hospitality scholarship and destination-specific workforce policy, offering a more comprehensive foundation for both academic inquiry and managerial decision-making. This positioning differentiates the study from previous reviews by emphasizing contextual adaptation alongside theoretical integration rather than merely summarizing existing empirical findings.

The objective of this study is to systematically identify the principal antecedents influencing Generation Z employee retention in the hospitality industry, critically synthesize effective organizational retention strategies, and develop a contextualized workforce development framework applicable to Bali's tourism sector. Through the integration of diverse streams of hospitality, talent management, and organizational behavior research, this study seeks to advance a more comprehensive understanding of how multiple organizational mechanisms collectively shape retention outcomes among Generation Z employees. Methodologically, the research contributes by employing a systematic review approach to consolidate fragmented international evidence into an analytically coherent framework capable of informing future empirical investigations. Theoretically, the proposed framework expands existing retention literature by integrating organizational, psychological, technological, and contextual dimensions into a single explanatory model tailored to hospitality organizations. Practically, the findings are expected to provide tourism stakeholders, hotel managers, and policymakers with an evidence-informed reference for designing sustainable human resource strategies capable of strengthening workforce resilience in tourism-dependent destinations. Ultimately, this study aspires to establish a stronger conceptual foundation for future research examining the long-term sustainability of hospitality employment in an increasingly dynamic and generation-diverse labor market.

RESEARCH METHODS

This study employed a Systematic Literature Review (SLR) following the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) guidelines to ensure methodological transparency, consistency, and replicability throughout the review process (Page et al., 2021). The literature search was conducted across three internationally recognized databases—Scopus, ScienceDirect, and Google Scholar—selected because of their broad disciplinary coverage and extensive indexing of high-quality scholarly publications relevant to hospitality, tourism, and human resource management research (Toboso-Gómez et al., 2025). To maximize retrieval precision while maintaining comprehensive coverage, Boolean operators were applied using the following search string: ("talent retention" OR "employee retention" OR "turnover intention") AND ("Generation Z" OR "Gen Z" OR "young workers") AND ("hospitality" OR "hotel" OR "tourism"), enabling the identification of empirical and conceptual studies examining Generation Z workforce retention within hospitality and tourism settings (Mulya et al., 2025). The eligibility assessment adopted predefined inclusion and exclusion criteria to maintain the quality and relevance of the synthesized evidence, whereby only peer-reviewed journal articles published between 2018 and 2026 and explicitly focusing on Generation Z within the hospitality or tourism industry were included, while books, theses, dissertations, conference abstracts, industry reports, news articles, opinion papers, and publications unrelated to hospitality or tourism were excluded from the final review (Kilson, 2025). This rigorous screening procedure facilitated the selection of methodologically robust studies that provided a reliable foundation for synthesizing existing knowledge and developing a contextualized retention framework for Bali's tourism workforce.

Data Selection Process (PRISMA Flow Diagram)

The study selection process followed the PRISMA framework to ensure a transparent, systematic, and reproducible screening procedure from the initial literature search to the final inclusion of eligible studies (Page et al., 2021). The identification stage produced a total of 100 records retrieved from Scopus, ScienceDirect, and Google Scholar using the predefined search strategy. Following duplicate

removal and an initial screening of titles and abstracts, 50 articles were considered sufficiently relevant to proceed to the next stage. Subsequently, full-text assessments were conducted to evaluate each article against the predetermined inclusion and exclusion criteria, resulting in the exclusion of 19 studies that did not adequately address Generation Z retention within the hospitality or tourism context or failed to satisfy the methodological requirements established for this review. Consequently, 31 peer-reviewed journal articles fulfilled all eligibility criteria and were retained for the final qualitative synthesis. The entire selection trajectory is presented through a PRISMA flow diagram, which visually illustrates each stage of the review process, including identification, duplicate removal, title and abstract screening, full-text eligibility assessment, and final study inclusion, thereby reinforcing the methodological rigor, transparency, and replicability of the systematic review in accordance with internationally recognized PRISMA reporting standards (Page et al., 2021; Toboso-Gómez et al., 2025).

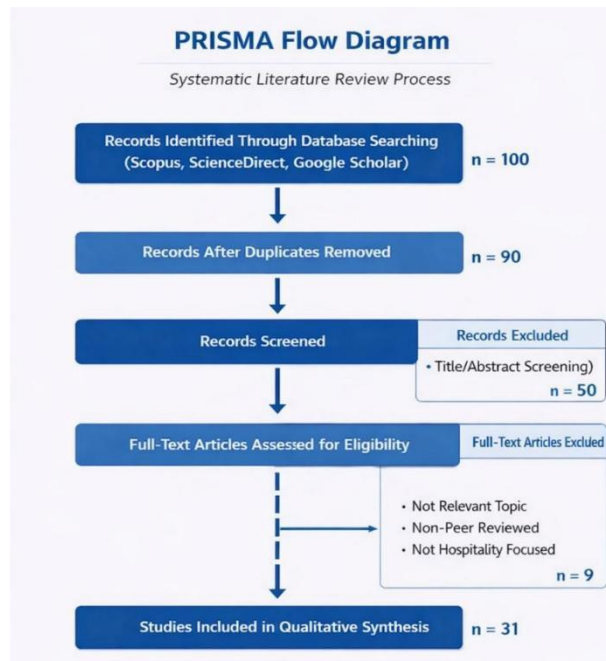


Figure 1. PRISMA Flow Diagram of the Systematic Literature Review Process.

Source: Adapted from Page et al. (2021) and the researchers' data analysis (2026)

The selected studies were analyzed using a thematic analysis approach to systematically identify and synthesize recurring patterns concerning Generation Z talent retention in the hospitality industry, enabling the integration of diverse empirical findings into coherent conceptual themes (Toboso-Gómez et al., 2025). The analytical process involved thoroughly examining each article to extract key findings, identify antecedent factors influencing employee retention, classify organizational retention strategies, and organize the evidence into thematic clusters representing global research trends and emerging managerial practices (Mulya et al., 2025). These thematic syntheses formed the analytical basis for addressing the first and second research questions while simultaneously supporting the development of a contextualized retention framework for Bali's tourism workforce. To ensure the credibility and robustness of the synthesized evidence, all selected studies were subjected to a structured quality appraisal that evaluated methodological quality, thematic relevance, and scientific contribution using a standardized scoring procedure. Each criterion was assessed on a three-point scale, with studies achieving a cumulative score of seven or higher considered eligible for inclusion in the final synthesis. The appraisal confirmed that all 31 selected articles exceeded the established quality threshold, yielding an average quality score of 8.5 and demonstrating that the resulting conceptual framework was grounded in methodologically sound and scientifically relevant international literature (Kilson, 2025; Kaliannan et al., 2023).

RESULTS AND DISCUSSION

Characteristics of Reviewed Studies

The PRISMA-based selection process resulted in the inclusion of 31 peer-reviewed journal articles that fulfilled all predefined eligibility criteria, providing a robust evidence base for synthesizing contemporary knowledge regarding Generation Z talent retention in the hospitality industry. The reviewed publications span the period from 2022 to 2026, indicating that scholarly attention toward Generation Z workforce issues has intensified in parallel with the post-pandemic restructuring of the global hospitality sector. Rather than concentrating on employee turnover as an isolated organizational outcome, recent studies increasingly conceptualize retention as a multidimensional phenomenon encompassing organizational culture, employee well-being, career development, sustainability orientation, and technological adaptation. This evolution illustrates a gradual transition from traditional human resource management perspectives toward more holistic talent management approaches that recognize the distinctive expectations of younger workforce cohorts. The diversity of publication outlets represented in the review further demonstrates that Generation Z retention has become an interdisciplinary research topic extending beyond hospitality management into organizational behavior, strategic human resource management, sustainability, and digital innovation.

The synthesis also reveals considerable diversity in the theoretical orientations adopted across the reviewed studies, although several conceptual domains consistently emerge as dominant analytical perspectives. Many investigations examine organizational practices through the lenses of inclusive talent management, employee engagement, and person-job fit, while others emphasize meaningful work, psychological well-being, or sustainability-driven organizational values as primary explanatory constructs (Ababneh et al., 2026; Kaliannan et al., 2023). Recent contributions increasingly incorporate digital transformation, platform-based employment, and artificial intelligence into discussions concerning workforce expectations, reflecting broader structural changes occurring within contemporary hospitality organizations (Fu et al., 2024; Leite et al., 2026). This conceptual diversification enriches existing knowledge but simultaneously illustrates that Generation Z retention cannot be adequately explained through a single theoretical perspective. The reviewed literature instead suggests that retention outcomes emerge from the interaction of organizational, psychological, technological, and contextual factors operating simultaneously within dynamic service environments.

Table 1. Summary of Generation Z Retention Factors in the Hospitality Industry

Dimension	Primary Factor	Indicators	Practical Implications for Bali
Organizational Environment	Inclusive culture, diversity management, emotional support & empathy	a. Person-job fit b. Organizational emotional capability c. Display freedom & empathy	Hotels in Bali must cultivate an inclusive work culture, provide avenues for expression, and build a supportive climate to mitigate turnover.
Career Development & Competency	Inclusive talent development, work-integrated learning	a. Training accessible to all employees b. Experiential learning programs c. Career adaptability	Tourism higher education institutions and hotels should provide community-based internships and clear career pathways for Gen Z.
Sustainability Values & CSR	Green mindfulness, ecological literacy, CSR hotel	a. Environmental awareness b. Social contingency thinking c. Community-based CSR	Hotels in Bali can increase their employer attractiveness through localized CSR initiatives (e.g., waste management, MSME support) aligned with Gen Z values.
Well-Being & Psychological Factors	Job flourishing, rendah job strain, self-efficacy	a. Psychological safety b. Work-life balance	Management needs to provide work flexibility, mental health support, and self-development

c. Self-efficacy as a programs to optimize
moderator employee retention.

Source: Synthesized by the researchers based on the systematic literature review (2026)

The thematic synthesis presented in Table 1 demonstrates that the reviewed literature converges around four recurring dimensions that collectively explain employee retention among Generation Z within hospitality organizations. Organizational environment consistently appears as the most frequently discussed dimension because inclusive organizational culture, emotional support, and diversity management directly influence employees' sense of belonging and long-term organizational commitment (Zhou et al., 2025). Career development constitutes another dominant theme, with studies emphasizing that accessible learning opportunities, work-integrated learning, and transparent advancement pathways substantially strengthen career adaptability among younger employees (Khuadthong et al., 2025; Kapuściński et al., 2023). Sustainability-related values likewise receive increasing scholarly attention as hospitality organizations integrate environmental responsibility and community engagement into employer attractiveness strategies, particularly for younger generations whose employment preferences increasingly reflect broader social values (Khuadthong et al., 2025). Psychological well-being completes this multidimensional structure by highlighting that job flourishing, work-life balance, reduced occupational strain, and self-efficacy jointly contribute to stronger employee retention intentions across diverse hospitality contexts (Baum & Goh, 2026).

An important pattern emerging from the reviewed studies concerns the geographical concentration of empirical evidence, which remains heavily dominated by investigations conducted in Asia-Pacific, Europe, and selected Middle Eastern countries. Hospitality destinations such as Thailand, Macau, Australia, and Qatar appear considerably more frequently than culturally distinctive tourism regions where local traditions strongly shape employment relationships (Sin et al., 2022). The literature consequently offers substantial evidence regarding universal organizational practices while providing comparatively limited discussion concerning the interaction between local cultural values and Generation Z retention strategies. This imbalance suggests that existing theoretical models primarily reflect generalized organizational environments rather than destination-specific workforce ecosystems. Such observations reinforce the need to reinterpret international evidence within culturally embedded tourism destinations where social identity, community values, and regional development priorities significantly influence organizational behavior.

Another notable characteristic concerns the methodological orientation of the reviewed studies, which is predominantly empirical and quantitative despite growing interest in systematic evidence synthesis. Survey-based research employing structural equation modeling, regression analysis, and mediation testing constitutes the dominant methodological approach, particularly in studies examining organizational culture, employee engagement, and behavioral intention. Comparatively fewer investigations adopt systematic literature reviews or conceptual synthesis methods that integrate fragmented findings across multiple theoretical perspectives, although recent publications indicate increasing scholarly recognition of this need (Toboso-Gómez et al., 2025; Mulya et al., 2025). The present review therefore occupies a complementary position by consolidating dispersed empirical evidence into a unified conceptual interpretation rather than generating another context-specific empirical model. This integrative perspective enhances the cumulative development of hospitality talent management knowledge by revealing relationships among previously disconnected research streams.

The overall mapping of the reviewed literature indicates that Generation Z retention has evolved into a strategic issue extending beyond conventional employee turnover management toward broader questions of organizational sustainability, workforce resilience, and tourism competitiveness. The four thematic dimensions identified through the synthesis provide a coherent analytical structure for understanding how organizational practices influence the retention of young hospitality professionals across diverse institutional settings. Their convergence also demonstrates that contemporary retention strategies increasingly require integration between human resource management, organizational psychology, technological innovation, and sustainability principles rather than reliance on isolated managerial interventions. These characteristics establish the analytical foundation for the subsequent examination of the principal determinants influencing Generation Z retention, where the interaction among organizational environment, career development, sustainability values, and employee well-being is explored in greater conceptual depth.

Thematic Clustering of Factors Influencing Generation Z Retention (RQ1)

The thematic analysis of the 31 selected studies demonstrates that Generation Z employee retention in the hospitality industry is primarily influenced by four interrelated dimensions: organizational environment, career development and competency, sustainability values, and well-being with psychological factors. Rather than functioning independently, these dimensions collectively shape employees' perceptions of organizational attractiveness and long-term commitment. The synthesis indicates that retention is increasingly understood as a multidimensional organizational outcome that emerges from the interaction between workplace conditions and individual expectations rather than from financial incentives alone. This finding reflects the ongoing transformation of hospitality human resource management toward more employee-centered and value-oriented practices. The identified dimensions also provide a comprehensive analytical foundation for understanding how hospitality organizations can strengthen workforce sustainability within increasingly competitive labor markets.

The organizational environment represents the most consistently discussed determinant of Generation Z retention because it directly influences employees' psychological attachment to the organization. Inclusive organizational culture, diversity management, emotional support, and empathy encourage stronger person-job fit while simultaneously fostering a greater sense of belonging among young employees (Ababneh et al., 2026; Zhou et al., 2025). Studies further indicate that collaborative leadership and psychologically safe workplaces encourage employees to participate actively in organizational activities while reducing voluntary turnover intentions (Andrić et al., 2023). Employee retention consequently depends not only on formal organizational policies but also on daily interpersonal experiences that reinforce trust, fairness, and mutual respect. Hospitality organizations capable of cultivating supportive organizational climates are therefore more likely to retain Generation Z employees despite the operational pressures characteristic of service-intensive industries.

Table 2. Thematic Classification of Factors Influencing Generation Z Retention

Dimension	Core Factors	Key Indicators	Implications for Hospitality Organizations
Organizational Environment	Inclusive culture, diversity management, emotional support	Person-job fit, psychological safety, empathy, organizational belonging	Develop an inclusive workplace that strengthens employee engagement and organizational commitment.
Career Development and Competency	Inclusive talent development, work-integrated learning, career adaptability	Training accessibility, experiential learning, mentoring, career pathways	Provide continuous learning opportunities and transparent career progression.
Sustainability Values	Corporate social responsibility, ecological literacy, green mindfulness	Environmental awareness, community engagement, sustainable behavior	Strengthen employer attractiveness through sustainability-oriented organizational practices.
Well-Being and Psychological Factors	Meaningful work, job flourishing, self-efficacy, work-life balance	Reduced job strain, psychological well-being, motivation, resilience	Enhance employee well-being through flexible work arrangements and mental health support.

Source: Synthesized by the researchers based on the systematic literature review (2026)

As presented in Table 2, career development and competency emerge as another dominant dimension explaining Generation Z retention across the reviewed studies. The literature consistently emphasizes that younger employees expect organizations to provide structured learning opportunities, transparent promotion systems, and continuous competency development rather than relying solely on conventional training programs (Kaliannan et al., 2023). Work-integrated learning, mentoring, and career adaptability further enhance employees' confidence in navigating increasingly dynamic hospitality careers while strengthening long-term organizational commitment (Khuadthong et al., 2025). These findings suggest that career development functions simultaneously as a mechanism for

improving professional capability and as a signal that organizations are willing to invest in employees' future growth. Employer attractiveness consequently becomes closely associated with visible opportunities for learning and advancement rather than immediate financial rewards alone (Kapuściński et al., 2023).

The thematic synthesis also identifies sustainability values and psychological well-being as increasingly influential determinants of retention among Generation Z employees. Hospitality organizations that actively implement corporate social responsibility initiatives, environmental stewardship, and community engagement are perceived as more attractive employers because these practices align with the social values commonly associated with younger generations (D'Acunto et al., 2025). Parallel evidence indicates that meaningful work, work-life balance, reduced job strain, and self-efficacy contribute directly to stronger organizational commitment by improving employees' overall quality of working life (Baum & Goh, 2026). Happiness at work and positive psychological experiences likewise reinforce employees' willingness to remain within organizations despite demanding operational conditions (Nieżurawska et al., 2022). These observations demonstrate that sustainability initiatives and employee well-being should not be interpreted as independent organizational programs but as complementary elements within an integrated retention strategy.

A broader interpretation of the thematic synthesis reveals that intrinsic and extrinsic motivational factors continuously interact across all four dimensions instead of operating as separate categories of influence. Intrinsic factors such as meaningful work, autonomy, psychological fulfillment, and personal development shape employees' emotional attachment to their organizations, whereas extrinsic factors including compensation, career opportunities, leadership quality, and organizational flexibility determine employees' evaluation of employment conditions (Sin et al., 2022; Galea Bugeja, 2022). Recent scholarship further argues that contemporary talent management should balance organizational performance objectives with employee-centered development, particularly as hospitality organizations compete for increasingly mobile and digitally connected workforce cohorts (McCartney et al., 2026; Schinnenburg & Böhmer, 2025). The findings of this review therefore indicate that sustainable Generation Z retention cannot be achieved through isolated managerial interventions but requires an integrated organizational ecosystem in which organizational culture, professional development, sustainability orientation, and employee well-being mutually reinforce one another.

Synthesis of Effective Retention Strategies and Contextualization for Bali (RQ2 & RQ3)

The synthesis of the reviewed studies indicates that successful Generation Z retention strategies have shifted from conventional human resource practices toward integrated approaches that simultaneously address technological readiness, organizational culture, career sustainability, and employee well-being. Rather than relying on a single intervention, hospitality organizations increasingly combine digital innovation with employee-centered management to strengthen organizational commitment and reduce turnover intention. This transition reflects the changing expectations of Generation Z employees, who perceive organizational attractiveness through the quality of the overall employment experience instead of compensation alone. Recent hospitality literature also demonstrates that retention strategies become more effective when organizational policies remain adaptive to evolving workforce values and external labor market conditions (El Hajal & Losekoot, 2024). The synthesized evidence therefore suggests that retention should be approached as a long-term strategic investment rather than a short-term response to labor shortages.

Technology-oriented strategies constitute one of the most prominent themes emerging from the systematic review because Generation Z employees are digital natives whose employment experiences are strongly influenced by technology-enabled organizational practices. Digital recruitment systems, structured online onboarding, employee engagement applications, and real-time feedback mechanisms consistently improve organizational communication while facilitating faster organizational adjustment among newly recruited employees (Giousmpasoglou & Nguyen, 2025). Artificial intelligence and digital automation further reduce repetitive administrative tasks, enabling employees to concentrate on higher-value customer interactions that enhance job satisfaction and professional development (Leite et al., 2026). The increasing integration of digital technologies also supports reverse mentoring practices, where younger employees contribute technological expertise while simultaneously strengthening intergenerational collaboration within hospitality organizations (Fu et al., 2024). Such technological

interventions demonstrate that digital transformation contributes not only to operational efficiency but also to employee engagement and organizational retention.

Table 3. Adaptation of Global Generation Z Retention Strategies for Bali's Hospitality Industry

Global Retention Strategy	Adaptation for the Balinese Context	Expected Contribution
Digital recruitment and onboarding	Integrate local cultural orientation into digital onboarding programs	Accelerates organizational adjustment while strengthening cultural understanding.
Inclusive organizational culture	Embed <i>Tri Hita Karana</i> and <i>gotong royong</i> into organizational values	Enhances belonging, collaboration, and organizational commitment.
Career development and international pathways	Establish partnerships with international hotel chains and educational institutions	Reduces outward talent migration through clearer career prospects.
Sustainability and CSR initiatives	Develop community-based CSR involving local villages and MSMEs	Improves employer attractiveness while supporting sustainable tourism.
Well-being and flexible work practices	Align work schedules with community obligations and cultural ceremonies	Strengthens work-life balance and employee well-being without compromising service quality.

Source: Synthesized by the researchers based on the systematic literature review (2026)

The strategic adaptations presented in Table 3 demonstrate that globally recognized retention practices require contextual modification before being implemented within Bali's tourism industry. International evidence consistently supports inclusive organizational culture, transparent career pathways, sustainability initiatives, and employee well-being as effective retention mechanisms; however, their implementation must acknowledge Bali's distinctive socio-cultural environment to maximize organizational effectiveness. The reviewed literature indicates that culturally responsive organizations generally experience stronger employee commitment because organizational values become aligned with employees' personal and community identities (Kaliannan et al., 2023). Bali's tourism industry possesses unique cultural resources that allow hospitality organizations to integrate local wisdom into modern human resource management without reducing organizational competitiveness. This contextual perspective expands the applicability of international hospitality research by demonstrating that retention strategies should be culturally adaptive rather than universally standardized.

The findings further indicate that intrinsic and extrinsic retention mechanisms become more sustainable when interpreted through local cultural values rather than exclusively through organizational policies. Meaningful work, work-life balance, and psychological well-being can be strengthened by incorporating the philosophy of *Tri Hita Karana*, which emphasizes harmonious relationships among spirituality, humanity, and the environment within everyday organizational practices. Career development initiatives may likewise become more attractive when organizations provide structured international mobility opportunities while maintaining employees' long-term connection with Bali's hospitality industry, thereby reducing permanent outward migration of skilled workers (Giousmpasoglou & Nguyen, 2025). Community-oriented organizational cultures inspired by *gotong royong* also reinforce social belonging, collective responsibility, and mutual support among employees, complementing contemporary concepts of inclusive leadership and diversity management (Ababneh et al., 2026). Such adaptations illustrate that local cultural assets function not merely as symbolic organizational values but as practical mechanisms supporting long-term workforce sustainability.

The synthesis ultimately demonstrates that effective Generation Z retention within Bali's hospitality industry requires the integration of three mutually reinforcing pillars consisting of intrinsic, extrinsic, and contextual dimensions. Intrinsic strategies emphasize meaningful work, psychological well-being, work-life balance, and continuous personal development, whereas extrinsic strategies

prioritize transparent career progression, equitable compensation, collaborative leadership, and competency enhancement. The contextual pillar complements these organizational mechanisms by embedding Balinese cultural values into organizational culture, thereby strengthening employees' emotional attachment to both their workplace and the destination itself. This integrated perspective extends existing hospitality retention literature by illustrating that destination competitiveness increasingly depends upon the alignment between global human resource innovation and localized cultural resources rather than on standardized management practices alone. The conceptual integration developed through this systematic review consequently provides the analytical basis for the proposed tourism workforce retention framework and forms the foundation for the broader theoretical and managerial discussion presented in the following section.

Discussion and Proposed Tourism Workforce Retention Framework

The findings of this systematic literature review demonstrate that Generation Z employee retention in the hospitality industry should be interpreted as a multidimensional organizational phenomenon rather than a consequence of isolated human resource practices. The synthesis confirms that organizational environment, career development, sustainability orientation, and psychological well-being operate as complementary dimensions whose interactions determine employees' long-term organizational commitment. This interpretation is consistent with recent hospitality research emphasizing that younger employees evaluate employers through the overall quality of the employment experience instead of relying exclusively on compensation or promotion opportunities (El Hajal & Losekoot, 2024). Contemporary studies similarly argue that organizational attractiveness increasingly depends on an organization's ability to align workplace values with employees' personal aspirations and social expectations (Kapuściński et al., 2023). The present review therefore extends existing knowledge by integrating previously fragmented determinants into a unified conceptual explanation of Generation Z retention within hospitality organizations.

A notable contribution of this study lies in demonstrating that intrinsic and extrinsic motivational factors are insufficient to explain employee retention when they are examined independently from the broader organizational and cultural context. Earlier studies generally distinguish meaningful work, work-life balance, career advancement, leadership, and compensation as separate predictors of retention, whereas the present synthesis indicates that these variables reinforce one another through continuous organizational interaction (Baum & Goh, 2026; Sin et al., 2022). This pattern also corresponds with broader human resource management scholarship, which increasingly advocates integrated talent management approaches balancing organizational performance with employee development and social well-being (McCartney et al., 2026). The reviewed literature further illustrates that psychologically supportive workplaces strengthen the effectiveness of formal organizational policies because employees are more likely to remain within organizations where professional growth is accompanied by emotional security and organizational trust (Balthrop & Jung, 2024). Such evidence suggests that retention strategies should be designed as interconnected organizational systems instead of collections of independent managerial initiatives.

The contextual interpretation developed through this review further indicates that global retention strategies require careful adaptation before being implemented within culture-based tourism destinations such as Bali. International evidence consistently supports inclusive organizational culture, competency development, sustainability initiatives, and employee well-being as effective retention mechanisms; however, the reviewed studies rarely consider how local cultural institutions shape organizational behavior and employee commitment (Toboso-Gómez et al., 2025). Bali presents a distinctive organizational environment in which social identity, customary traditions, and community participation remain deeply embedded within everyday working life. Integrating values such as Tri Hita Karana and gotong royong into organizational culture therefore represents an extension rather than a replacement of internationally recognized human resource practices. This contextualization contributes to hospitality management literature by demonstrating that organizational retention strategies become more sustainable when universal managerial principles are aligned with destination-specific cultural resources.

The proposed tourism workforce retention framework consequently consists of three interdependent pillars that collectively address the principal challenges identified throughout the systematic review. The intrinsic pillar emphasizes meaningful work, psychological well-being, work-

life balance, and personal development because these elements strengthen employees' internal motivation to remain within hospitality organizations. The extrinsic pillar incorporates transparent career pathways, collaborative leadership, equitable rewards, and continuous competency development, reflecting organizational mechanisms that reinforce employees' perceptions of professional opportunity and fairness (Salvadorinho et al., 2025). Complementing these dimensions, the contextual pillar integrates indigenous Balinese values into organizational culture to strengthen employees' emotional attachment to both the workplace and the tourism destination. Rather than functioning independently, these three pillars establish an integrated organizational ecosystem capable of supporting sustainable workforce development under increasingly competitive labor market conditions.



Figure 2. Conceptual Framework for Tourism Human Resource Retention in Bali

Source: Developed by the researchers (2026)

As illustrated in Figure 2, the proposed framework positions organizational retention as the outcome of dynamic interactions among intrinsic, extrinsic, and contextual dimensions instead of a linear relationship between organizational policies and employee behavior. This conceptual configuration distinguishes the present study from earlier retention models that predominantly emphasize organizational or psychological determinants while paying limited attention to destination-specific cultural contexts. The framework also acknowledges the increasing influence of digital transformation, sustainability values, and changing workforce expectations on hospitality employment, suggesting that future talent management practices should remain adaptive to continuous organizational and technological change (Meijerink et al., 2024; Raza et al., 2026). Such an integrated perspective provides hospitality organizations with a more comprehensive reference for designing evidence-based retention strategies capable of addressing both organizational performance objectives and employee well-being. From a theoretical standpoint, the framework expands hospitality talent management literature by incorporating contextual culture as an essential component of strategic workforce sustainability.

Several limitations should nevertheless be acknowledged when interpreting the findings of this review. The synthesized evidence was derived exclusively from peer-reviewed journal articles indexed within selected academic databases, potentially excluding relevant insights contained in industry reports, conference proceedings, or emerging professional publications. Most reviewed studies also relied on cross-sectional empirical designs, limiting the ability to evaluate how Generation Z retention evolves over longer organizational and economic cycles. Rapid technological developments, including artificial intelligence, digital work platforms, and data-driven people analytics, are expected to transform workforce expectations further, requiring continuous refinement of hospitality retention models as organizational practices evolve (Microsoft, 2026). Future studies may therefore validate the proposed framework through empirical investigations conducted within Bali's hospitality industry while comparing its applicability across other culture-based tourism destinations. Such empirical validation

would strengthen the generalizability of the conceptual model while contributing to the development of context-sensitive hospitality human resource management theory.

CONCLUSION

This study systematically synthesized the contemporary body of knowledge concerning Generation Z talent retention in the hospitality industry and developed a contextualized workforce retention framework applicable to Bali's tourism sector. The findings demonstrate that Generation Z retention is influenced by the interaction of three complementary dimensions: intrinsic, extrinsic, and contextual factors. Intrinsic determinants encompass meaningful work, autonomy, psychological well-being, and work-life balance, whereas extrinsic determinants include transparent career advancement, collaborative leadership, inclusive organizational culture, and equitable compensation. Beyond these organizational dimensions, the synthesis reveals that contextual elements—including local cultural values, community attachment, and sustainability orientation—play an increasingly important role in strengthening organizational commitment, particularly within culture-based tourism destinations. These findings indicate that sustainable retention cannot be achieved through isolated managerial interventions but requires an integrated human resource management approach that simultaneously addresses organizational practices and employees' evolving expectations.

The review further demonstrates that successful retention strategies increasingly combine technology-enabled human resource practices with employee-centered organizational management. Digital recruitment systems, structured onboarding, employee engagement applications, flexible work arrangements, collaborative leadership, transparent career pathways, and comprehensive well-being initiatives collectively strengthen organizational attractiveness while reducing turnover intention among Generation Z employees. The contextual synthesis also confirms that these globally recognized strategies can be effectively adapted to Bali through a three-pillar retention framework consisting of intrinsic, extrinsic, and contextual dimensions. Within this framework, local philosophies such as Tri Hita Karana and gotong royong function as strategic organizational resources that reinforce employees' sense of belonging while preserving the cultural identity supporting Bali's tourism competitiveness.

The findings provide several practical implications for stakeholders responsible for tourism workforce development. Higher education institutions should strengthen Education for Sustainable Development (ESD) within tourism and hospitality curricula to equip future professionals with competencies that integrate sustainability principles into organizational practice. Hospitality organizations in Bali are encouraged to incorporate communal values into corporate culture, establish transparent career pathways with international mobility opportunities, and expand community-based corporate social responsibility initiatives involving local communities and micro, small, and medium enterprises. Policymakers may further support sustainable workforce development by introducing regulatory incentives that encourage hospitality organizations to align their human resource practices with the United Nations Sustainable Development Goals, particularly those related to quality education, decent work, responsible consumption, climate action, and strategic partnerships. Future empirical studies are recommended to validate the proposed conceptual framework within hospitality organizations in Bali and to examine its applicability across other culture-based tourism destinations facing similar workforce sustainability challenges.

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