

Impact of Financial Literacy, Training Opportunities, and Career Growth on Employee Career Commitment and Retention Intention: A Review

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Abstract—Employee retention has become one of the most pressing concerns for organisations operating in competitive and increasingly mobile labour markets. While compensation and workplace culture remain widely studied determinants of an employee's decision to stay with or leave an organisation, three related but conceptually distinct factors — financial literacy, access to training opportunities, and perceived career growth — have received comparatively fragmented attention in the human resource management literature, particularly when considered together as joint predictors of career commitment and retention intention. This paper undertakes a narrative review of the existing theoretical and empirical literature on financial literacy, training and development, and organisational career growth, and synthesises how each construct independently and jointly relates to employee career commitment and the intention to remain with an employer. Drawing on human capital theory, organisational career growth theory, the three-component model of commitment, and established turnover-intention process models, the review finds consistent evidence that employees who perceive strong training support and clear opportunities for career advancement report higher affective commitment and lower turnover intention, while financial literacy operates as a comparatively newer but growing predictor of financial stress reduction, productivity and loyalty. The review also identifies a notable gap: very few studies integrate financial literacy alongside training and career growth within a single explanatory model of retention. The paper concludes by proposing an integrated conceptual framework and outlining directions for future empirical research, including sector-specific validation and the mediating role of career commitment between these antecedents and retention intention.

Index Terms—financial literacy, training and development, career growth, career commitment, organisational commitment, employee retention intention

I. Introduction

Organisations across sectors continue to face elevated rates of voluntary employee turnover, a phenomenon that carries substantial direct and indirect costs, including recruitment expenditure, lost institutional knowledge, reduced team morale, and diminished productivity during the replacement and onboarding cycle. Understanding what keeps employees committed to their organisations, and what ultimately shapes their intention to stay or leave, therefore remains a central question in human resource management research.

Traditionally, research on employee retention has emphasised compensation, job satisfaction, leadership quality, and organisational culture as primary antecedents. In recent years, however, three additional and

interrelated factors have drawn growing scholarly interest: financial literacy, training opportunities, and career growth. Financial literacy — an employee's capacity to understand and apply financial concepts to personal decision-making — has increasingly been linked to reduced financial stress, higher productivity, and greater organisational loyalty (Lusardi & Mitchell, 2014, 2023). Training opportunities, long recognised as a core human resource development lever, have been shown to enhance both employee performance and the perception that an organisation is investing in its workforce, which in turn strengthens commitment (Jehanzeb & Bashir, 2013; Elnaga & Imran, 2013). Career growth, conceptualised as the extent to which an employee's current role supports progress toward long-term career goals, skill development, promotion, and remuneration growth, has been consistently associated with occupational and organisational commitment and with lower turnover intention (Weng, McElroy, Morrow, & Liu, 2010; Weng & McElroy, 2012).

Despite the individual weight of evidence supporting each of these three constructs, the literature rarely examines them together within a single explanatory model of employee career commitment and retention intention. Financial literacy research has largely developed within personal finance, financial wellness, and consumer behaviour literatures, while training and career growth research has developed largely within organisational behaviour and human resource management literatures. This separation leaves a meaningful gap: organisations seeking to design integrated retention strategies have limited guidance on how these levers interact, reinforce, or substitute for one another.

This review addresses that gap by synthesising the existing literature on financial literacy, training opportunities, and career growth as antecedents of employee career commitment and retention intention. The specific objectives of the review are threefold: first, to summarise the theoretical foundations underpinning each construct; second, to synthesise empirical findings on the relationship between each construct and career commitment or retention intention; and third, to propose an integrated conceptual framework and identify priority areas for future research.

II. Review Methodology

This review adopts a narrative literature review approach rather than a formal systematic review or meta-analysis, given the objective of synthesising conceptually distinct but related streams of literature into an integrated discussion rather than statistically pooling effect sizes. Sources were identified through targeted searches of academic databases and publisher platforms (including ScienceDirect, Emerald Insight, Springer, ResearchGate, and NBER working paper archives) using combinations of the terms financial literacy, training and development, career growth, career commitment, organisational commitment, and retention intention or turnover intention. Foundational theoretical sources — including seminal works establishing human capital theory, organisational career growth theory, the three-component model of commitment, and turnover-intention process models — were deliberately included alongside more recent empirical studies to ground the review in established theory. Priority was given to peer-reviewed journal

articles, though selected working papers and dissertations were included where they offered contextually relevant empirical evidence, particularly studies conducted in emerging-market and Indian organisational settings. A total of thirty sources were selected for inclusion, spanning foundational theory (pre-2000), scale-development studies (2000s–2010s), and recent empirical applications (2013–2025).

III. Theoretical Framework

3.1 Human Capital Theory and Financial Literacy

Human capital theory provides the foundational lens through which financial literacy is typically understood in the organisational literature. Becker (1964) conceptualised knowledge and skills as a form of capital in which individuals invest, yielding returns in the form of improved decision-making and economic outcomes. Financial literacy has since been framed as a specific form of human capital investment: individuals who acquire financial knowledge are better equipped to manage debt, plan for retirement, and make sound investment decisions, which in turn affects their overall wellbeing and economic security (Lusardi & Mitchell, 2014). Within an organisational context, employees experiencing financial stress have been shown to display reduced concentration, lower productivity, and a greater propensity to seek alternative employment offering higher pay, suggesting that financial literacy operates indirectly on retention through its effect on financial stress and wellbeing (Lusardi & Mitchell, 2023).

3.2 Organisational Career Growth Theory

Weng and colleagues developed and validated a multidimensional model of organisational career growth comprising career goal progress, professional ability development, promotion speed, and remuneration growth (Weng & Xi, 2011; Weng, McElroy, Morrow, & Liu, 2010). This model conceptualises career growth as the degree to which an employee perceives that their current organisation supports progress toward career goals and rewards that progress through promotion and compensation. Subsequent validation across cultural contexts, including a Korean adaptation of the scale (Kim et al., 2016), has reinforced the model's applicability beyond its original Chinese sample and established career growth as a robust predictor of both occupational commitment and turnover intention (Weng & McElroy, 2012).

3.3 Three-Component Model of Organisational Commitment

Meyer and Allen's (1991) three-component model remains the dominant framework for understanding organisational commitment, distinguishing affective commitment (emotional attachment and desire to remain), continuance commitment (perceived cost of leaving), and normative commitment (a felt obligation to remain). The model was later extended to the occupational or career level, allowing researchers to distinguish an employee's commitment to their organisation from their commitment to their broader career or occupation (Meyer, Allen, & Smith, 1993). Career commitment itself was earlier operationalised by Blau

(1985) as an individual's attitude toward their profession or vocation, independent of a specific employer, and remains a widely used construct in studies linking career-related antecedents to retention outcomes.

3.4 Turnover and Retention Intention Process Models

Mobley's (1977) intermediate linkages model remains foundational to the study of retention intention, proposing that job dissatisfaction triggers a sequential cognitive process — thoughts of quitting, evaluation of the expected utility of job search, intention to search, and ultimately intention to quit — rather than a direct, unmediated relationship between dissatisfaction and turnover. This process framework was later extended by Mobley, Griffeth, Hand, and Meglino (1979) to incorporate a broader set of antecedent variables, and further elaborated by Mowday, Porter, and Steers (1982), who positioned organisational commitment as a central psychological linkage between antecedent conditions and eventual turnover behaviour. Steers (1977) additionally identified personal characteristics, job characteristics, and work experiences as key antecedents of commitment within this broader process, providing a structural basis for situating financial literacy, training, and career growth as upstream antecedents within the retention-intention pathway.

IV. Literature Review

4.1 Financial Literacy and Employee Retention

A growing body of applied and industry-oriented research links financial literacy to workplace outcomes relevant to retention, even though the academic literature on this specific pathway remains younger than that on training or career growth. Financial stress has been consistently identified as a major source of workplace distraction and disengagement, with numerous employee wellness surveys reporting that a majority of employees experience financial worry that affects their concentration, sleep, and overall productivity. Financially stressed employees have been found to be substantially more likely to be actively searching for alternative employment than their non-stressed counterparts, directly implicating financial wellbeing in retention outcomes.

Academic studies conducted in the Indian information technology sector provide more rigorous empirical support for this relationship. Research examining financial literacy, financial behaviour, and financial self-efficacy among IT sector employees found that financial literacy exerted both a direct and an indirect effect on employees' broader life and financial satisfaction, mediated through financial behaviour and financial attitude (De, 2024; a related 2025 study of the Indian IT sector). These findings are consistent with the human capital framing advanced by Lusardi and Mitchell (2014, 2023), who argue that financial knowledge functions as an investment that yields returns in the form of improved financial decision-making, reduced debt-related stress, and greater long-term financial security. Broader survey evidence from India additionally suggests that financial literacy levels among working adults remain comparatively low relative

to global benchmarks, reinforcing the potential value of employer-sponsored financial education as an intervention (Agarwalla, Barua, Jacob, & Varma, 2015).

Although direct empirical tests linking financial literacy specifically to retention intention or career commitment remain relatively scarce compared to the training and career growth literatures, the indirect pathway through reduced financial stress, improved financial wellbeing, and enhanced trust in the employer is well supported. This suggests financial literacy functions as a distal antecedent of retention intention, operating primarily through its effects on employee wellbeing and perceived organisational support, rather than as a direct driver of career-related attitudes.

4.2 Training Opportunities and Career Commitment

Training and development represent one of the most extensively studied human resource practices in relation to retention. Jehanzeb and Bashir (2013) found that employees who perceive workplace training as a genuine investment in their long-term career development report higher motivation and a stronger likelihood of remaining with their organisation, framing training not merely as a skills-transfer mechanism but as a signal of organisational commitment to the employee. Elnaga and Imran (2013) similarly demonstrated that training positively influences job satisfaction, which in turn supports retention, situating training within the broader satisfaction–commitment–retention pathway described by Mobley (1977) and Mowday, Porter, and Steers (1982).

Subsequent research has extended these findings by examining the mediating role of organisational commitment. Studies investigating training and career development jointly have found that both variables significantly predict retention, with job satisfaction and organisational commitment acting as intervening mechanisms rather than training exerting a purely direct effect. Complementary research on employer branding has shown that training and development interventions strengthen retention partly by enhancing the organisation's perceived attractiveness as an employer, a pathway that operates alongside, rather than instead of, the direct skill-development benefits of training. Collectively, this body of work supports the conclusion that training opportunities influence retention primarily by strengthening employees' affective and normative commitment, consistent with the mechanisms proposed in Meyer and Allen's (1991) three-component model.

4.3 Career Growth and Retention Intention

Career growth has arguably received the most rigorous empirical validation among the three constructs examined in this review, owing to the development and cross-cultural testing of Weng's multidimensional career growth scale. Weng, McElroy, Morrow, and Liu (2010) established that career growth — comprising career goal progress, professional ability development, promotion speed, and remuneration growth — is positively associated with organisational commitment. A related study using a managerial sample found that

organisational career growth negatively predicted turnover intentions, with affective occupational commitment partially mediating this relationship, indicating that career growth reduces turnover intention both directly and through its effect on commitment (Weng & McElroy, 2012).

This relationship has since been replicated and extended across multiple occupational and cultural contexts. Nouri and Parker (2013) found that career growth opportunities significantly predicted both organisational commitment and reduced turnover intentions among public accounting professionals, while Kim et al. (2016) validated the career growth construct among Korean employees, confirming its cross-cultural robustness. Broader career-success literature reinforces these findings: Ng, Eby, Sorensen, and Feldman (2005), in a meta-analysis of predictors of career success, identified organisational sponsorship and developmental opportunities as significant predictors of both objective and subjective career outcomes, while Seibert, Kraimer, and Liden (2001) demonstrated that social capital and network access within an organisation similarly predict career advancement and satisfaction. More recent research has examined boundary conditions on this relationship, finding that career mentoring can buffer the negative effects of perceived job content plateaus on emotional exhaustion, suggesting that organisational support for career development remains protective even when objective advancement opportunities are constrained (Kao et al., 2022).

Taken together, the career growth literature provides the strongest and most consistent evidence among the three constructs reviewed here, with career growth operating as both a direct predictor of retention intention and an indirect predictor through affective commitment.

4.4 Toward an Integrated Framework

While financial literacy, training opportunities, and career growth have each been independently linked to employee commitment and retention-related outcomes, few studies examine all three constructs within a single model. Ferdiana, Khan, and Ray (2023) offer a partial integration, demonstrating that career development, organisational commitment, and organisational support jointly explain a substantial proportion of variance in employee retention, but their model does not incorporate financial literacy. Similarly, studies of training and career development jointly predicting retention through job satisfaction do not extend to financial wellbeing constructs.

Drawing on the theoretical foundations reviewed above, this paper proposes that financial literacy, training opportunities, and career growth can be conceptually integrated as three distinct but complementary antecedents operating along the pathway described by Mobley (1977) and Steers (1977): financial literacy reduces financial stress and enhances perceived organisational support; training opportunities build human capital and signal organisational investment in the employee; and career growth provides a concrete, forward-looking pathway for advancement. Each of these antecedents is theorised to operate at least

partially through career commitment — conceptualised per Blau (1985) and Meyer, Allen, and Smith (1993) as an employee's psychological attachment to their career or occupation — which in turn reduces retention intention. This positions career commitment as a plausible mediating mechanism between the three antecedents and the ultimate outcome of retention intention, a relationship that has not yet been comprehensively tested in a single empirical study.

V. Discussion

The reviewed literature demonstrates that career growth currently enjoys the strongest and most methodologically mature evidence base among the three constructs examined, benefiting from a validated, cross-culturally tested measurement scale and multiple studies directly linking it to both organisational commitment and turnover intention. Training and development research, while extensive, tends to treat training as a general human resource practice rather than disaggregating its career-development-specific effects from its skills-transfer effects, leaving some ambiguity about the precise mechanism through which training influences retention. Financial literacy research, by contrast, remains the least developed of the three streams within the organisational behaviour literature specifically, with most rigorous empirical work concentrated in personal finance and financial wellness journals rather than human resource management outlets, and with comparatively few studies directly measuring career commitment or retention intention as outcome variables.

A further pattern emerging from this review is the recurring role of organisational commitment, and more specifically affective commitment, as a mediating mechanism linking each of the three antecedents to retention-related outcomes. This is consistent with Meyer and Allen's (1991) theoretical positioning of affective commitment as the psychological core of the broader commitment construct, and suggests that interventions targeting financial literacy, training, or career growth may be most effective when they are also designed to strengthen employees' emotional attachment to the organisation, rather than being implemented as standalone administrative programmes.

The absence of an integrated empirical model testing all three antecedents simultaneously represents both a limitation of the current evidence base and an opportunity for future research, discussed further below.

VI. Research Gaps and Future Directions

Based on the synthesis above, several priority areas for future research emerge. First, there is a clear need for empirical studies that simultaneously test financial literacy, training opportunities, and career growth as joint predictors of career commitment and retention intention within a single structural model, allowing researchers to compare their relative explanatory power and examine potential interaction effects. Second, the mediating role of career commitment between these three antecedents and retention intention warrants direct empirical testing, building on the theoretical integration proposed in section 4.4. Third,

sector-specific and cross-cultural replication remains important, given that much of the career growth literature originates from Chinese and East Asian samples, while financial literacy research relevant to workplace settings is comparatively concentrated in the Indian IT sector and Western personal-finance contexts; extending these models to other industries and regions would strengthen generalisability. Finally, longitudinal research designs would help clarify the causal ordering implied by Mobley's (1977) process model, since the cross-sectional designs that dominate the current literature cannot fully distinguish whether career commitment precedes or follows changes in financial literacy, training exposure, or perceived career growth.

VII. Conclusion

This review has synthesised the theoretical and empirical literature on financial literacy, training opportunities, and career growth as antecedents of employee career commitment and retention intention. The evidence indicates that career growth exerts the most consistently documented influence on commitment and retention outcomes, training opportunities exert a well-established but somewhat less mechanistically specified influence, and financial literacy exerts a plausible but comparatively under-tested influence operating primarily through reduced financial stress and enhanced perceived organisational support. Career commitment, and organisational commitment more broadly, appears to function as a central psychological mechanism linking each of these antecedents to retention intention. Given the absence of a study integrating all three constructs, this review proposes an integrated conceptual framework as a foundation for future empirical work, with clear implications for organisations seeking to design retention strategies that address employees' financial wellbeing, developmental needs, and long-term career aspirations in a coordinated rather than fragmented manner.

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