

APAC Special Report

Move To Stay: Rethinking Retention Through Internal Mobility

Key Insights

- Internal mobility increases employee retention between up to 72% in APAC, and the retention effects are slightly higher in larger companies.
- The retention effect of internal mobility is significantly stronger (30% on average) for Generation Z workers compared to Millennials or Generation X.
- Lateral moves within a company can be just as effective as promotions for employee retention.

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1. Introduction

In today's competitive labour market, retaining top talent has become as critical as attracting it. This research explores the role of internal mobility - both lateral moves and promotions - as a strategic lever for improving employee retention. By analysing patterns across different career stages, we find that:

- Internal mobility increases employee retention between up to 72% in APAC.
- The retention effect is 30% stronger for Generation Z workers compared to Millennials or Generation X.
- Lateral moves within a company can be just as effective as promotions for employee retention.

For employers and HR leaders, this means rethinking internal mobility not just as an HR process, but as a long-term retention strategy. Designing clear internal career paths, encouraging cross-functional movement, and enabling early mobility can help build a workforce that's not just talented - but also grows within and with the company.

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2. Internal mobility increases employee retention by up to 72% in APAC

Across major APAC markets, employees who moved internally - whether through a promotion or lateral shift - were **66% to 72% more likely to still be at the same company the following year** compared with peers who did not move. This demonstrates that internal career progression serves as a powerful signal of opportunity and engagement, reducing the likelihood of attrition.

Country	Percent More Likely to be Retained (after internal move)
Australia	67%
Indonesia	70%
India	69%
Japan	71%
Malaysia	72%
New Zealand	66%
The Philippines	67%
Singapore	72%

Table 1. Retention Impact of Internal Mobility by Country, January 2018 – August 2025

Source: LinkedIn Economic Graph

The retention effects of internal moves in larger firms are slightly higher. Employees in enterprises with more than 1,000 staff were around **5% more likely to remain after an internal move** than those in small and mid-sized businesses. This likely reflects the greater range of career paths and cross-functional options available in bigger organisations, where employees can ‘**move without leaving**’.

Country	Percent More Likely to be Retained (after internal move)	
	SMB (11-200 employees) vs Large Enterprise (>5000 employees)	SMB (11-200 employees) vs Enterprise (1001-5000 employees)
Australia	7.3%	3.0%
Indonesia	6.1%	2.0%
India	10.3%	9.9%
Japan	4.2%	10.2%
Malaysia	0.5%	0.2%
New Zealand	4.1%	6.4%
The Philippines	2.5%	6.8%
Singapore	10.4%	8.8%

Table 2. Retention Impact of Internal Mobility by Country and Company Size, January 2018 – August 2025

Source: LinkedIn Economic Graph

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However, internal mobility can still be a powerful lever for smaller companies, even if the absolute number of pathways is more limited. What matters most is the signal of growth: when employees see that their employer is willing to invest in their development and open new roles, it strengthens commitment regardless of company size. In fact, smaller firms may even have the advantage of more flexible role design, which can enable employees to ‘**move without moving**’ - where workers can reinvent their current roles without a job title change.

3. The retention effect is 30% stronger for Generation Z workers compared to Millennials or Generation X

Younger workers, particularly those in Generation Z, have the highest retention odds from internal mobility. For this group, the likelihood of staying with an employer after a move is **30% higher** than for Millennials or Generation X on average across APAC. Gen Z’s stronger response may stem from their desire for rapid skill growth and diverse experiences early in their careers, making internal mobility especially appealing for them to gain learning experiences quickly. Mobility may also create a loyalty effect which is more prominent among Gen Zs - when employers demonstrate trust by offering new opportunities, young workers interpret it as long-term investment in their careers, deepening their attachment to the company.

Country	Percent More Likely to be Retained (after internal move)	
	Generation Z vs Millennials	Generation Z vs Generation X
Australia	17.2%	24.0%
Indonesia	29.1%	49.5%
India	30.7%	36.5%
Japan	41.9%	43.9%
Malaysia	31.0%	44.0%
New Zealand	19.7%	24.1%
The Philippines	29.0%	38.3%
Singapore	20.0%	29.3%

Table 3. Retention Impact of Internal Mobility by Country and Generation, January 2018 – August 2025

Source: LinkedIn Economic Graph

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4. Promotions are less than 1% more effective than lateral movements for employee retention

While promotions remain important, the data shows that **lateral moves deliver nearly the same retention benefit**. On average, promotions were less than 1% more effective than lateral moves in keeping employees across APAC. And in India, lateral moves were in fact more effective than promotions. This suggests that the act of moving, and the opportunity for growth and learning, matters more than the specific type of advancement. For companies, this widens the scope of mobility strategies: **even when promotions are limited, cross-functional and lateral options can still sustain retention strategies**.

Country	Percent More Likely to be Retained (Promotion vs Lateral Move)
Australia	2.0%
Indonesia	-0.7%
India	-5.4%
Japan	1.2%
Malaysia	1.6%
New Zealand	3.8%
The Philippines	0.1%
Singapore	2.5%

Table 4. Retention Impact of Promotions vs Lateral Moves, January 2018 – August 2025

Source: LinkedIn Economic Graph

And when we split the group by generation, the results are even more startling. For Gen Z in many countries, lateral moves result in better retention than promotions. This effect is most prominent in India, where Gen Z workers who move laterally are **10.7% more likely** to stay than those who get promoted. This suggests that younger workers may value breadth of experience over title progression, while older cohorts respond more to hierarchical advancement.

Country	Percent More Likely to be Retained (Promotion vs Lateral Move)		
	Generation X	Millennials	Generation Z
Australia	2.3%	2.4%	-1.6%
Indonesia	5.0%	1.7%	-7.1%
India	1.6%	-2.3%	-10.7%
Japan	3.7%	0.5%	-1.5%
Malaysia	6.0%	1.7%	1.1%
New Zealand	2.3%	3.9%	3.7%
The Philippines	0.0%	0.3%	-1.7%
Singapore	4.0%	2.9%	4.4%

Table 5. Retention Impact of Promotions vs Lateral Moves, by Generation, January 2018 – August 2025

Source: LinkedIn Economic Graph

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4. Conclusion

Across APAC, employees who move internally are consistently more likely to remain with their employers. The effect is most pronounced among younger workers and in larger organisations. Internal mobility is more than an HR process - it is a strategic driver of retention. For companies, this retention dividend means not only lower turnover costs, but also stronger continuity, deeper institutional knowledge, and a workforce that grows more valuable the longer it stays.

Crucially, the data shows that **lateral moves are nearly as powerful as promotions**, proving that retention depends less on hierarchical advancement and more on the opportunity to grow and learn. For employers, this widens the scope for action: even when promotion slots are limited, cross-functional mobility, growth opportunities, and clear career pathways can deliver substantial retention benefits.

In a region where competition for skilled talent is intense, organisations that invest in **systematic internal mobility strategies** will not only keep their best people longer, but also build a workforce that is engaged, adaptable, and future-ready.

Methodology

Data and Privacy - This body of work represents the world seen through LinkedIn data, drawn from the anonymised and aggregated profile information of LinkedIn's 1+ billion members around the world. As such, it is influenced by how members choose to use the platform, which can vary based on professional, social, and regional culture, as well as overall site availability and accessibility. In publishing these insights from LinkedIn's Economic Graph, we want to provide accurate statistics while ensuring our members' privacy. As a result, all data show aggregated information for the corresponding period following strict data quality thresholds that prevent disclosing any information about specific individuals.

Company Size Classification - A company's size is determined by the 12-month average number of LinkedIn members who listed an active position in the listed company for the latest 12-month period. We split company sizes into 3 main categories: Small-Medium Business (11-200 global employees), Mid-Market Enterprises (201-1,000 global employees), Enterprise (1,001-5000 global employees), and Large Enterprise (more than 5000 global employees).

Generation Classification - A LinkedIn member's generation (Gen Z, Millennial, Gen X) is inferred based on graduation years listed on their LinkedIn profile. We follow the Pew Research Center's definition for each generation as Gen Z being born between 1997 and 2012, Millennials being born between 1981 and 1996, Gen X being born between 1965 and 1980.

Internal Mobility - We analysed career histories of employees across APAC over the past 8 years. A company employment period was defined as the continuous time a member worked at the same company, excluding re-hires. Within each period, an internal move was flagged when a member changed roles but remained in the same organisation. Moves were further classified as promotions or laterals based on changes in seniority. For each member, we calculated the timing of their first move (in months from hire) and compared them against peers who had not moved by the same tenure window. Retention was defined as being observed at the same company one year later. To account for differences in tenure exposure, we first calculated retention ratios between movers and non-movers within each tenure window cohort, then aggregated results to the country and subgroup level using weighted averages across cohorts.