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Millennial Worker Loyalty in Indonesia

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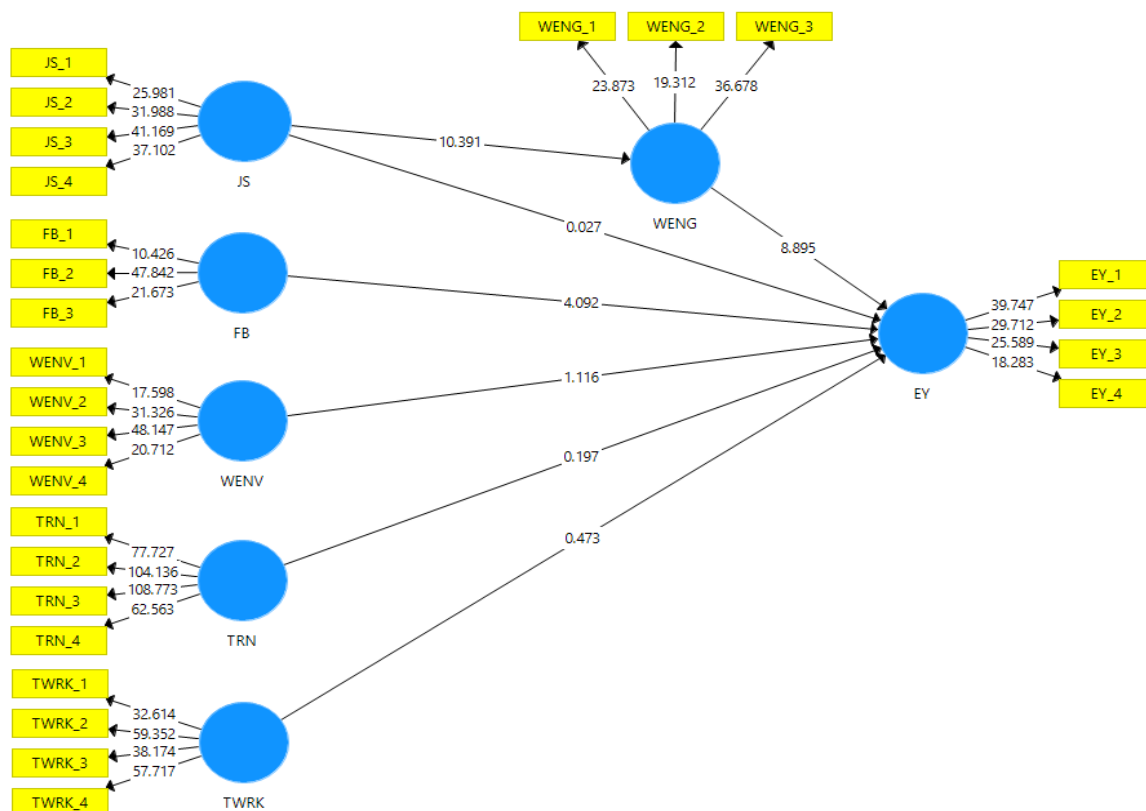




Research Highlights

Employees are one of the driving elements in a company. Every company have strategy to keep their employees working for the company. This purpose of the strategy to create a loyal employees and hope they work for a long time in the companies. Employees who work longer, they will be more valuable (Iqbal, Tufail, & Lodhi, 2015). A survey report from Michael Page in 2015 found that 72% of the respondents have the intention to resign from work within next 12 months after they are work (Michael Page, 2015). From this report we know that the company have a challenge to face this turnover intention, specifically from millennial generation. Companies must review their employees retaining strategy in dealing with this phenomenon like whether the millennials have certain preferences in choosing jobs or what they expect from a company to work.

Graphical Abstract





Research Objectives

Loyalty can be interpreted as willing to spend more time to work (Reichheld, 2003) and a willingness to continue working for a company (Turkyilmaz, 2011). Employees who spend a lot of time in the company tend to be satisfied with their work (Silvestro, 2002). Also many factors influence employees to change jobs and the company has a certain strategy and attractiveness so that employees remain interested to work in a company, especially for employees who have good skills and talents. From the phenomenon, the purpose of this study is to find out whether there are factors that can affect employees, especially the millennial generation, to be loyal to the company where they work in Indonesia.

Methodology

The data collected from online survey through questionnaire addressed to millennials workers. The questionnaire created using Google Form and distributed through social media. The questionnaire distributed with 26 question item, represented using Five point likert scale. The unit of analysis of this study is Indonesian millennial generation who have working of have worked in any sector of company. The sampling technique used non-probability sampling convenience sampling. Total respondent of this study are 295 and 27 respondents were take out because they are not unit of analysis of this study. The demographic respondent attach several basic attributes, such as age, gender, marital status, education background, current job/last job position, and company industry.

Results

This study provide eight hypothesis and the results not all hypothesis was supported. From eight hypothesis, four hypothesis was supported and the rest was not supported. The result indicated that there is a p_z ositive and significant relationship between financial benefit and work engagement towards employee loyalty. Also, there is a positive and significant relationship between job satisfaction towards work engagement. As for indirect effect, there





is a positive and significant relationship between job satisfaction towards employee loyalty through work engagement. The remaining variables such as job satisfaction, training, teamwork and working environment have a negative and not significant relationship towards employee loyalty.

Findings

Financial benefit became one of the factors that influenced the millennial to become loyal employees. They will tend to compare the benefits they receive from the company they are looking for. As for work engagement, this factor give the highest positive significant effect towards employee loyalty. Employees who have more engaged in their work tend to be loyal to their company. To main this factor, companies are expected to be able to maintain employee trust.

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