

Millennials loyalty

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The profile of millennial generation employee: We do have loyalty

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Abstract. With the growing dominance of the millennials in the work places, companies must understand that this generation has a different mindset, values, and views compared to previous generations. The shift in the workforce will also bring major changes to the mindset and culture of the company. One of these shifts is in understanding the employee loyalty. Companies need to understand the views of millennial employees on loyalty from the perspective of their demographic characteristics. This study aimed to conduct profiling of millennial employees in terms of demographics and employee loyalty. The study used a quantitative approach by distributing questionnaires to 201 millennial generation employees. The data were processed using crosstabulation to obtain the distribution of demographic characteristics in various indicators of employee loyalty. The results showed that there are several indicators of employee loyalty that stand out in certain demographic characteristics.

Keywords: Demographic characteristic, employee loyalty, millennial employees

1 Introduction

With the growing dominance of the millennials in the workplaces, companies must understand that this generation has a different mindset, values, and views compared to previous generations. The shift in the workforce will also bring major changes to the mindset and culture of the company. One of these shifts is in understanding the employee loyalty. Companies need to understand the views of millennial employees on loyalty from the perspective of their demographic characteristics.

Millennials have a much different work ethic and career aspirations than the previous generation [1,2]. A person's ethics and values in doing his job can be influenced according to the environment in which he lives. Millennials are a generation that has been taught that they can pursue aspirations and success regardless of their gender or status [3].

Generations before millennials have a more rigid and formal mindset, are very law abiding, and uphold moral values and courtesy. These previous generations were born when there was lack of technology, so everything was obtained based on their hard work. Finding information for work or educational needs is not as easy as now when you only need to search on the internet and various sources will appear. This previous generation had to open

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books, newspapers, magazines, and other print media to get access and information needed. The library has become a mandatory place for the previous generation.

With the increasingly dominating world of work with millennials, companies must also understand the criteria and factors that influence or motivate millennials. Companies must understand that there is a shift in the work generation that will bring major changes to the mindset and culture of the company. Companies must also be able to take advantage of opportunities to accept millennials. For example: supported by the strong influence and understanding of technology, especially social media, millennials are much easier to understand trends and what the market wants.

The theories that we have studied so far are built on research conducted in generations before millennials, such as Baby Boomers, Generation X, and even Silent. If we try to understand millennials from the perspective of these theories, millennials tend to be seen as lazier. Millennials are considered to have no work ethic, no values, no loyalty, and so on. Millennials are even called fleas, because it's easy for them to move from one company to another.

It must be admitted that millennials work effectively, but the prejudice that they tend to be disloyal can sometimes be detrimental to themselves. However, in this study, we believe that millennials also have values and norms, but their values and norms are different from those of previous generations. This is due to the entry of globalization in the era of millennials. This globalization brings new values and views to millennials.

Chen, Chen, and Tsai stated that the measure of employee loyalty is the length of time they stay in the company [4]. To retain employees, the company conducts an Employee Retention Program (ERP). Unfortunately, ERP is often misunderstood solely on the physical needs of employees such as the provision of salaries and benefits, share ownership programs, and so on. Therefore, this program usually doesn't work for millennials. In fact, apart from physical needs, an employee has three other needs, namely social emotional needs, mental/intellectual needs, and spiritual needs. Everyone basically has these four needs, but to varying degrees.

This research adapted employee loyalty indicators from Power [5]. There are 16 indicators, as follow:

1. Stay in the organization.
2. Willing to work overtime to complete the work.
3. Keep company business secrets.
4. Promote his organization to customers and society
5. Obey the rules without the need for strict supervision.
6. Willing to sacrifice personal interests for the benefit of the organization.
7. Don't gossip, lie, or steal.
8. Purchase and use the company's products.
9. Participate in the organization's social activities.
10. Offer suggestions for improvement.
11. Willing to participate in the organization's accidental activities.
12. Willing to follow directions or instructions.
13. Taking care of the organization's property and or not wasting it.
14. Work safely.
15. Not circumventing organizational rules, including sick leave.
16. Willing to cooperate and help co-workers.

This study conducted a profiling of the millennial generation to better understand their values, especially in the context of employee loyalty. If the company can understand the millennial generation's view of loyalty, company can manage them optimally. Figure 1 below describes the framework of this research.

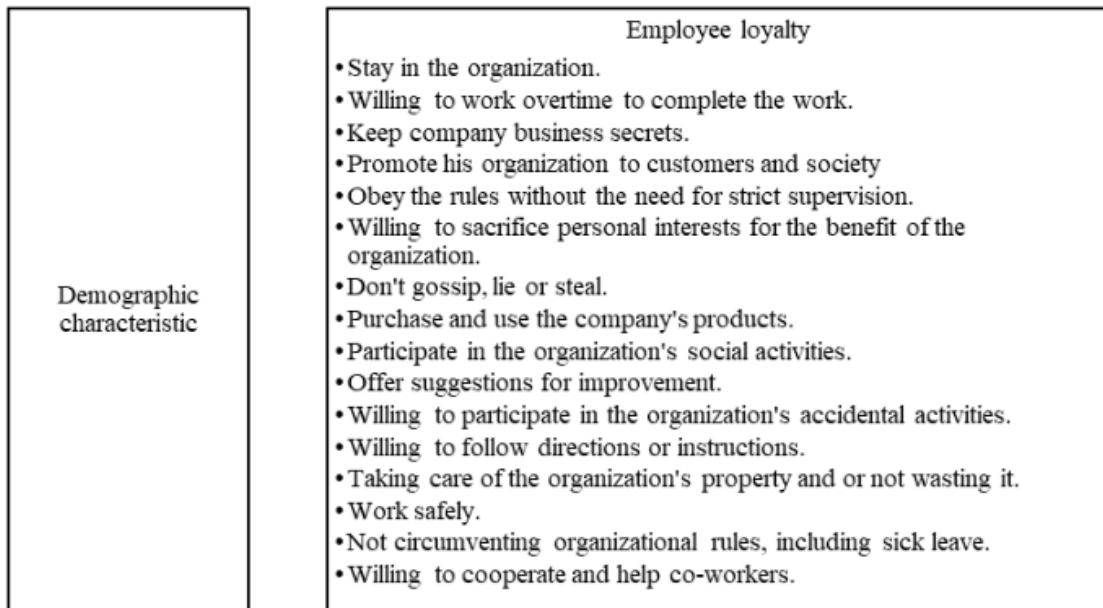


Fig. 1. Research Framework.

2 Methods

This study aims to provide a profile of the millennial characteristics, especially in terms of employee loyalty. To achieve this goal, this research uses a descriptive quantitative research approach. With this approach, this research described the variables, namely employee loyalty and demographic characteristics, without making comparisons, or connecting with other variables.

The population in this study is Generation Y which is classified as the workforce. According to BPS, millennial which is classified as a workforce is approximately 62.5 million. The sample of this research was determined using purposive sampling technique. The sample criteria set are millennials who already have permanent jobs. In its implementation, 231 questionnaires were collected but there were 30 respondents who did not have a permanent job so that only 201 questionnaires could be analysed.

The primary data collection process was carried out by distributing questionnaires through electronic media. The questionnaire in this study consisted of two parts. The first part is a questionnaire containing the identity of the respondents consisting of gender, age, family background, education, and the city where the respondent works. The second part is a closed questionnaire consisting of several items of employee loyalty using a Likert scale.

The data collected was processed using cross-tabulation to see the frequency and percentage of both variables in this research simultaneously by crossing the characteristics and indicators that are considered related into the table.

3 Results

Before analyzing the data resulting from the distribution of the questionnaire, the validity and reliability of the questionnaire was first tested. Both tests are needed to prove the quality of the data obtained from the distribution of the questionnaire, which is accurate and feasible to use. The results of the validity test on the employee loyalty variable showed the Pearson product moment correlation value on the seventeen items. All item values are greater than r table, namely 0.138, which means that the seventeen items used for

measuring employee loyalty are valid. While the results of the reliability test showed that the employee loyalty variable has a Cronbach alpha value of 0.891 which has exceeded the required critical value of 0.70 for the reliability test.

Then a descriptive statistical analysis was carried out which explained the frequency distribution and percentage of respondents' identities through demographic factors including gender, age group, education level, marital status, and family background of respondents.

Table 1. Profile of Millennials' Employee Loyalty Based on Demographic Characteristics.

	Employee Loyalty	Demographic Characteristic				
		Sex	Age Group	Marital Status	Have family business	Education level
1	Spend the rest of your career at the company you work for	Male	1985-1990	Single	Yes	High school
2	Don't mind to finish work after office hours	Female	1985-1990	Single	No	Professional Education
3	Don't mind to finish work outside office hours	Female	1985-1990	Single	Yes	Professional Education
4	Can keep the secrets of the company where I work	Male	1980-1984	Single	No	Diploma
5	Willing to promote the company where I work to others	Male	1996-2000	Single	Yes	Diploma
6	Implement and obey company regulations even without strict supervision	Male	1996-2000	Single	No	Diploma
7	Willing to make maximum efforts to improve company performance, including sacrificing personal time	Male	1985-1990	Married	Yes	Diploma
8	Have the self-awareness to respect the company you work for by not gossiping, lying and stealing	Male	1996-2000	Single	No	Diploma
9	Buying and using the products of the company you work for	Male	1985-1990	Married	Yes	Diploma
10	Participate and contribute in activities held by the company where you work	Male	1996-2000	Single	Yes	Diploma
11	Provide constructive criticism and suggestions to the company where you work	Male	1980-1984	Single	No	Diploma
12	Follow the directions and instructions given	Male	1991-1995	Single	No	Diploma
13	Maintain and care for the facilities provided	Male	1985-1990	Single	No	Diploma
14	Comply with the occupational health and safety regulations where I work	Female	1985-1990	Single	No	Diploma
15	Don't circumvent company rules	Male	1996-2000	Single	No	Diploma
16	Able to work together with others in the work environment	Male	1996-2000	Single	No	Master Degree & Professional Education

From demographic factors, the profiles of respondents in this study were mostly female (62.7%), born in 1985-1990 (43.8%), with bachelor's degree (68.7%), and single (53.7%). Table 1 presents the profile of millennials' employee loyalty based on demographic characteristics. Each indicator of employee loyalty is owned by different demographic characteristics. For example, for the indicator of length of work, it is dominated by male, born in the 1985-1990, single, has a family business background, and has a high school education. While employee loyalty which are indicated by willingness to

work after or outside office hours, are dominated by female, born in 1985-1990, single, and professionally educated. This is supported by previous study that employee loyalty is influenced by personal characteristics, which includes age, years of service, gender, education level, achievements, race, and personality traits [6].

It is obvious that it is difficult to have an employee who had all those indicators. However, some of the indicators might be irrelevant for certain industry or organization. Therefore, the company need to comprehend these demographic characteristics of millennials before deciding to recruit new employee.

4 Conclusions

The findings showed that each of the 16 items of employee loyalty has dominated by different demographic characteristic. Therefore, it is difficult to found employees who have all the 16 items. The profiling produced by this study is expected to help companies determine the specifications of employees to be recruited based on their demographic characteristics to get employees who have certain loyalty items.

The limitation of this research is that it used a quantitative approach with a theoretical basis that was built on the conditions of the generation before the millennial. Further research is still needed to dig deeper into employee loyalty among the millennials using qualitative approach.

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