Generation Y Behavior: Employee Loyalty Based on Job Satisfaction and Workplace Spirituality

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ARTICLE INFORMATION

ABSTRACT

The present study is motivated by the belief that employee loyalty is an important factor that helps companies to survive in an increasingly fierce business competition. To generate employees' loyalty, good workplace spirituality and job satisfaction are very much required. The aim of this study is to analyze the loyalty of Generation Y employees as the effect of job satisfaction and work spirituality at private universities in Garut Regency, Indonesia. To this end, the study utilized a descriptive and verification approach in which the data were collected from 132 respondents using the interviews, questionnaires and surveys. The respondents were chosen by using saturated or census sampling techniques. Then, the collected data were analyzed by using path analysis with SPSS 24.0 software. The results showed that of all the analyzed research variables, the criteria were quite high. Work spirituality and job satisfaction showed a significant effect on employee loyalty. The findings also indicated that the employees who feel the spiritual values at the workplace tend to stay in the organization. In addition, a fair and decent remuneration system makes the Generation Y employees feel satisfied.

Keywords: Employee Loyalty, Generation Y, Job Satisfaction, Workplace Spirituality

JEL Classification: M10, J20, J28,

INTRODUCTION

Since the 1990s, many researchers have widely discussed the importance of workplace spirituality in both business and non-business organizations (Mitroff & Denton, 1999; Ashmos & Duchon, 2000; Milliman, Czaplewski, & Ferguson, 2003;Petchsawang & Duchon, 2009; Iqbal, Adawiyah, Suroso, & Wihuda, 2020). It has also been highlighted in many organizational behavior books which view the workplace spirituality as part of organizational culture (McShane & Von Glinow, 2018; Robbins & Judge, 2016) that influences innovative work behavior (Ferdinan & Lindawati, 2021). In essence, work spirituality is based on the concept that employees are spiritual beings and organizations are required to facilitate this spiritual development as a form of acceptance toward the employees who need value and meaning in their work.

Investigating the role of the work spirituality, the focus of the present study, is important to be conducted since in some cases companies with more spiritual values can outperform those of with less or no values (Jurkiewicz & Giacalone, 2004). Companies that focus on processes that include spiritual elements, such as bringing employees together to be motivated at work and encouraging employees to find meaning in their work, often increase employee retention, which has a determining impact on profitability (Marshke, 2009).

Generation Y is determined by the year of their birth, namely from 1980 to 2003 (Hurst and Good, 2009). The assumption is that they are currently in the process of developing their careers and some are taking their final year of college. Martins (2005) and Grossman (2006) have succeeded in identifying general Y-generation characteristics including being diverse, tolerant, techno-savy, impatient, independent, dependent, self-confident, respect learning, collaborative, socially conscious, and entrepreneurial.

LITERATURE REVIEW

Workplace Spirituality
Workplace spirituality (WS) is a condition experienced by the employees as the result of the meaningfulness of work built in a community context (Robbins, 2016). A person who is spiritual often indicates openness, giving, and loving attitude (Tischler, 2002), and has a good personal relationship to the transcendent figures (Petschawang & Duchon, 2012; Schreurs, 2002). Although the definition of WS varies, there are five dimensions that are often used, namely: connection, compassion, mindfulness, meaningful work, and transcendence (Petshawang and Duchon, 2012).

Job Satisfaction
Job satisfaction (JS) is a dynamic trait that can be influenced by internal and external factors. JS is a positive feeling toward one's job performance (Robbins & Judge, 2016). It is also related to how important the job is to the employees (Luthans & Doh, 2014). JS has implications for various aspects in the organization that can result in both positive and negative behavior. JS is the most important characteristic of employees that show an affective response. JS can be viewed from several dimensions, namely Works itself, pay, promotion opportunities, supervision, and coworkers which means having colleagues who are in the same team unit.

Employee Loyalty
Employee loyalty (EL) can be interpreted as the psychological state of employees to remain in their organization (Turkyilmaz, Akman, Ozkan, & Pastuszak, 2011). Employees with high loyalty will be willing to work beyond the assigned tasks, be proud of the company, tell good things to others, be willing to accept and carry out various

tasks, be inspired, and pay attention to the overall development of the company. EL is characterized by: 1) the confidence in accepting the organization's goals, 2) the efforts made for the betterment of the organization, and 3) the desire to stay in the organization (Pandey & Rajni, 2012).

RESEARCH METHOD

Sample Design
In selecting the participants, the study utilized purposive sampling technique. As the results, 132 respondents were drawn from 10 private universities in Garut Regency, Indonesia. The respondents, Generation Y employees, were males, 64% of whom have undergraduate education background, and 66% of the respondents are married. Most of the respondents have worked more than 2 years.

Data Collection
WS was measured by modifying the 20-item scale created by Ashmos & Dunchon (2000) and Petchawang & Duchon (2009). Using the alpha coefficient, the internal consistency reliability for WS is 0.881. The calculated internal consistency reliability for JS is 0.909, and that of for EL is 0.901. For JS, the study used a measure of individual satisfaction (Berson & Linton, 2005). Questionnaires were distributed to all Generation Y employees. Direct interaction was also carried out with the human resource (HR) to obtain clearer information.

The Analysis Tools
The hypotheses were tested by using path analysis with SPSS Version 24 software tools.

RESULTS

Analyzing the data by using path analysis in the SPSS, the present study obtained the following results:

Table 1. Path Coefficient for the effect of WS on JS

Model		Unstandardized Coefficients B	Std. Error	Unstandardized Coefficients Beta	t	Sig.
1	(Constant)	26.427	6.133		4.309	.000
	WS	.530	.075	.259	7.106	.000

 a. Dependent Variable: JS

Table 1 indicated that the value of sig = .000 is greater than .005 which means that WS has a significant effect on JS. The magnitude of the effect is 0.529, meaning that H1 is accepted.

Table 2. Path Coefficient for the effect of WS on EL mediated by JS

Model		Unstandardized Coefficients B	Std. Error	Unstandardized Coefficients Beta	t	Sig.
1	(Constant)	42.435	6.960		6.097	.000
	WS	.305	.93	.259	3.272	.001
	JS	.282	.93	.273	3.026	.003

 a. Dependent Variable: EL

The indirect effect of WS on EI mediated by JS is 0.529*0.272=0 .144; thus, the total effect is 0.295+0.144= 0.439. Because the magnitude of the direct effect is greater than the indirect effect, it can be said that JS does not mediate the effect of WS on EL. Therefore, H4 is rejected.

DISCUSSION

The results of this study further strengthen those of the previous studies about the effect of WS on JS (Altaf & Awan, 2011; Javanmard, Nami, & Haraghi, 2014). Employees who feel the connectedness and experience in the community strive after their goals and have a lasting relationship with their organization (Aboobaker, Edward, & K.A, 2020).

WS has a positive influence on the employee loyalty to the organization (Sani & Maharani Ekowati, 2019). This also happened to the Generation Y employees who have good loyalty to their organization (Aboobaker et al., 2020). The results showed that when employees found meaning in their work, they felt more responsible and trusted to stay with their organization. The research suggests that managers particularly in the service sector have a responsibility to create good spiritual atmosphere in the workplace. Particular care should be provided to the generation Y employees.

In addition, the study showed that JS has an effect on EL. When the employees feel satisfied with their work characteristics including the incentives, their performance improves and is well maintained (Riwukore, Susanto, Pilkandis, & Habaora, 2021). The existence of fair remuneration can stimulate employees positive or pleasant feelings (Mundung, 2021). Also, the existence of supervisory support makes the employees have good loyalty (Dhir, Dutta, & Ghosh, 2020).

This study, however, does not find that JS mediates the effect of WS on EL. It means that the Generation Y employees' level of satisfaction does not increase or decrease the spirituality values on loyalty. The fulfillment of the employees' feelings of connectedness toward their work, co-workers and organization is enough to make the employees feel at home in their organization (Aboobaker et al., 2020) .

CONCLUSION

To make the Generation Y employees remain loyal, the organization need to maintain the workplace spirituality and job satisfaction. The maintenance of these spiritual values can be done through various programs that promote an atmosphere of togetherness which can further strengthen the relationship between employees and their organization. Fair and decent remuneration, employee expectations, as well as flexible work are determinant to job satisfaction; therefore, it is necessary for the organization to take those factors into account so that the employees feel satisfied at work.

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DECLARATION OF CONFLICTING INTERESTS
The present study which is reported in this article is not being published in other publishers, has no element of plagiarism, and is free from the interests of any party.

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