

MILLENNIALS QUITTING THEIR JOB: ROLE OF HAPPINESS AND WORK LIFE

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Abstract- This study examines the influence of happiness and work-life balance toward turnover intention among millennials employees. 105 employees participated in the present study. Result shows that happiness and work-life balance simultaneously affect turnover intention with the R^2 score of 0,509. This shows that happiness and work-life balance affect the turnover intention by 50.9%, in which work life balance have greater contribution to the turnover intention. Thus, designing intervention in promoting happiness and work-life balance can be applied to decrease the turnover intention among millennials employee.

Keywords: work-life balance, influence of happiness, employee

I. INTRODUCTION

The competition in the business world is getting stronger and followed by the growth of the world economic rate which also increasing rapidly so that all companies are now competing to get the maximum benefit with the minimum capital utilization. Per Keyes, Hysom and Lupo (2000) stated that in a positive company model, effective leaders create sustainable businesses that are constructive and efficient profit earners, because they promote and maintain the wellbeing and psychological needs of their employees.

When employees feel their psychological needs are not pleasingly fulfilled by the company, employees might leave the company which referred as turnover intention. Turnover Intention is defined as a conscious and deliberate desire to quit from the company where he works or move from one company to another (Mobley, 1982). Turnover can basically be disruptive to company's performance and detrimental to the company when the most talented employees leave the company (Peachey, Burton & Wells, 2014).

A human resource consulting and employee engagement agency, the Work Institute, in its 2018 Retention Report survey estimated that 42 million employees would leave the company in 2018, meaning that as many as 28.6% of existing employees would move to other companies. This number increased by 11% from 2017, which 38 million employees left the company. If this trend continuously, the turnover projection in 2020 will increase by 48% or one of three employees will leave the company. As for the case in Indonesia, every year, there are around 10% to 12% of employees who leave the company (Andririastawan in Etnaningtiyas, 2011).

Based on the above phenomenon, the researcher conducted interviews and observations of several employees in PT Amway Indonesia. PT Amway Indonesia is a private company that holds a direct selling and authorized distributor of Amway products. Interview results shows that the most turnover rate occurred in 2017 and continued to increase in the following year. This is supported by turnover rate data which shows that an increase in the number of employees who voluntary resigned from the company counted from 2017 to 2018 by 10.12% with the highest turnover rate in the 3rd quarter of 2018 of 11.21%. The average turnover rate in the last 3 years is 6.03%, while the turnover rate that occurred in 2018 has exceeded the average turnover rate in the last 3 years and can be stated as high. Millennials employees with the age between 22-35 are among group category that prone to leave the organization soon of they are not satisfied, does have life balance office culture that does not in line with millennial styles (White, Davidson & Cullen, 2020) As cited in Officevibe.com, based on research from Gallup, 10% is the ideal number for a company's turnover rate, but this number varies from company to company. The best way to determine the ideal turnover rate is to count the average turnover rate in recent years and compare it with the company's current turnover rate.

A survey conducted by Deloitte as one of the consulting company to 10,455 millennials and 1,844 Gen Z respondents in the 2018 Deloitte Millennial Survey. Result found that 43% of millennials claimed will leave the company within 2 years and 61% of Generation Z claimed the same thing. In a same survey that conducted on the previous year, it was concluded that the lack of harmony between millennials' perceptions of company motivation and their own priorities affected the level of their loyalty to the

company. The company is considered to only focus on profits without prioritize the employees' happiness.

Employees will be happier authentically if they feel the connection between what they do in the company with their life goals or life values (Seligman 2002; Wrzesniewski et al. 1997). Based on 2017 Employee Job Happiness Index survey conducted by Jobstreet.com, showed that the level of happiness of employees in Indonesia got the first place, defeating Hong Kong, Malaysia, the Philippines, Singapore, Thailand and Vietnam. However, in the same survey, employees in Indonesia claimed that their situation would not be improved in the next six months.

Wan and Yang (2015) mentions that employee happiness has a significant negative effect on turnover intention. In addition to happiness, one of the factors that causing turnover intention is the imbalance between work life and personal life or commonly referred to work-life balance. Work-life balance is a measure of the extent to which a person is involved in his role as an employee and his role as a family member and is satisfied with both roles (Greenhaus, Collins & Shaw 2003). Comparable to studies conducted by Fisher in 2001, it was stated that work-life balance is an individual's feelings related to the effect of work on family life, as well as the influence of family life on his work.

Researcher tried to interview several employees of PT Amway Indonesia related to happiness, work-life balance and turnover intention that occurred at PT Amway Indonesia. In terms of happiness, most of respondents claimed that they are happy to work at PT Amway Indonesia. In accordance with the Objective List Theory revealed by Seligman (2003) in The Three Traditional Theories, it is stated that happiness is achieved if someone can fulfil the desired goals including, friendship, education, career achievement, health and others. In terms of work-life balance, almost all respondents complained about their lack of working hours added to work locations close to shopping centres, resulting in traffic jams every working hour and take some time to travel from office to home, and vice versa. Employees also complained that there is no working from home policy which employees are given the flexibility to work at home in certain times and flexible working hours that adjusted to their preferences. In terms of turnover intention, almost all respondents claimed to feel a significant increase in the number of employees who resigned in the last three years.

Based on the issue explained above, this study will examine the Effect of Happiness and Work-life Balance on Employee Turnover Intention at PT Amway Indonesia. From observations and interviews, researcher suspect that the increased turnover intention at PT Amway Indonesia is a result of the lack of happiness and work life balance of PT Amway Indonesia's employees.

II. LITERATURE REVIEW

Turnover intention is the desire of an employee to quit, move to a new workplace, or get their self out of a place of work that is done consciously and of his own desire. Turnover Intention is defined as a conscious and deliberate desire to quit from the company where he works or move to another company (Mobley, 1982). The dimensions in turnover intention measurement according to Mobley (1979) consist of thought of quitting, intention to search (the desire to find alternative employment), and intention to quit.

Happy employees are expected to indicate various forms of positive behaviour such as employee retention, good performance, and career success (Lyubomirsky, 2005; Wright, 2007; Wright and Huang 2012). The results of the study that conducted by Wan and Yang (2015) indicate that role stress has an indirect positive effect on turnover intention and happiness contained in subjective well-being has a negative effect on turnover intention in 300 kindergarten teachers in Taiwan. Wang and Yang (2015) also found that employee happiness has a negative impact on turnover intention.

Besides happiness, one of the factors that trigger the turnover intention in employees is the absence of a balance between family life and work (work-life balance). On previous studies related to work-life balance and turnover intention revealed that work-life balance has a significant negative effect on turnover intention. Research was carried out from various industries including, in the education industry (Noor, 2011) in Malaysia, the banking industry (Javed et al, 2014) in Pakistan and the health care industry in Jordan (Suifan et al, 2016) and Taiwan (Lee et al, 2013). However, on the contrary to previous studies, it was revealed that work-life balance did not have a significant effect on turnover intention in a study conducted by Oosthuizen et al (2016) in the IT industry in South Africa.

III. METHOD

Participants

This study uses a quantitative approach-survey by send the online questionnaires to get the subject's response. The participants in the study are all permanent employees who are still actively working at PT Amway Indonesia. The total number of respondents is 105 employees with 48,6% of participants are male, and 51,4% of the female.

From the 105 respondents studied, there were 17 respondents (16.2%) of whom were aged 17-25 years, 37 respondents (35.2%) of whom were aged 26-35 years, 26 respondents (24.8%) of them were aged 36-45 years, 24 respondents (22.9%) of them were aged 46-55 years, and there were 1 respondent aged over 55 years. In this study the age characteristics of respondents who dominated the study ranged from 26-37 years.

MEASURES

In this study, Turnover Intention was measured by adapting the scale created by Mobley (1978). There are three dimensions of turnover intention, namely Thought of quitting, Intention to search, and Intention to quit. In this measure there are 3 favourable statements measured by a five-point Likert scale (1 = strongly disagree to 5 = strongly agree). The instrument was tested for reliability by Mobley with Cronbach's alpha is 0.9. This instrument has been modified and used by Abid and Butt (2017) with a Cronbach's Alpha value of 0.86.

Happiness uses a measuring instrument adapted from research conducted by Seligman (2002). There are three aspects to Happiness, namely Life of Pleasure, Life of Engagement, and Life of Meaning. In this measuring instrument there are 18 favourable statements measured by five-point scale. This instrument has been tested for reliability by Park, Peterson and Seligman (2005) with Cronbach's alpha values for the dimensions of Life of Pleasant (0.82), Life of Engagement (0.72), Life of Meaning (0.82).

Work-life balance scale in this study is the development of scale owned by Fisher, Smith and Burger (2009). This scale has 17 items measured with a five-point Likert scale (1 = strongly disagree to 5 = strongly agree). Reliability of this scale has been tested by Fisher, Smith and Burger (2009) with a Cronbach's alpha value of 0.91 for the Work Interference with Personal Life (WIPL) dimension, 0.82 for the Personal Life Interference with Work (PLIW) dimension, 0.70 for the Work Enhancement dimension Personal Life (WEPL) and 0.81 for Personal Life Enhancement of Work (PLEW). This measuring tool has also been used by Ronaldy (2017).

IV. RESULT

Result showed that happiness has Sig value. $0.002 < 0.05$ with $R^2=0.091$, which means there is an impact of happiness variables on turnover intention and indicated that H_1 is accepted. While the R Square value of 0.091 can be interpreted that the happiness variable contributes 9.1% to turnover intention if calculated partially. Work life balance has Sig value. $0.000 < 0.05$ with $R^2=0.504$, which means there is an impact of work life balance variables on turnover intention and indicated that H_2 is accepted. While the R Square value of 0.504 can be interpreted that the happiness variable contributes 50.4% to turnover intention if calculated partially.

Happiness and work-life balance simultaneously affect turnover intention with the $R^2=0.509$, $F(3.08) > 52.943$, $p < 0.05$ and it indicated that H_3 is accepted. This shows that happiness and work-life balance affect the turnover intention by 50.9%. Happiness variable gives an effect of 2.2% and work-life balance variable gives an effect of 48.6% and the rest of 49.1% influenced by other factors.

Happiness variable obtains Sig. $0.315 > 0.05$ in the T test, whereas in the simple regression test results, the Sig. obtained is $0.02 < 0.05$, with a contribution of 9.1% which means that H_2 is accepted. When compared to the effect of the contribution of the work-life balance variable which is calculated simultaneously, the contribution of the happiness variable becomes very small at 2.2%, meaning that there are other possible variables that become mediating variables.

There is a significant difference between the gender in the happiness variable, where happiness is higher in male employees compared to female employees with Sig. $0.011 < 0.05$, which in male employees ($M = 72.08$, $SD = 6.026$) and in female employees ($M = 69.11$, $SD = 5.682$).

Sig value the work-life balance variable is $0.001 < 0.05$ and turnover intention $0.001 < 0.05$, and the post hoc results show significant differences in the work-life balance and turnover intention variables in the age category with the following details; higher work-life balance occurs in employees aged 46-55 years

($M=67.00$, $SD=5.993$) and turnover intention is higher for employees aged 26-35 years ($M=9.65$, $SD=3.138$).

V. DISCUSSION

Fisher (2010) in his research stated that employee happiness has an influence on employee performance, customer satisfaction, safety, absenteeism and employee retention. This shows that in this study in accordance with previous studies, where happiness has an influence on turnover intention.

Based on the Simple Regression analysis, it is shown that the happiness variable has an influence but is not significant on turnover intention, while the effect exerted is only 2% of 50, 9% of the total influence of variables happiness and work-life balance on turnover intention simultaneously. However, the T Test shows different results, it is shown that the happiness variable does not have a significant effect on turnover intention with the Sig. $0.315 > 0.05$. Inconsistent results between the two tests are likely due to other variables that affect and even weaken the relationship of happiness with turnover intention or also referred to mediation variables (Shanti & Manurung, 2020) so that the value of the happiness variable becomes very small in a simple regression test and even has no effect on the T test.

Based on the data of respondents by age, millennial generation get the first place in the age range of respondents in this study. This relates to the smaller effect of happiness variables on turnover intention when compared to the work-life balance variable. The level of employee happiness in Indonesia is quite high according to the results of the 2017 Employee Job Happiness Index survey conducted by Jobstreet.com. But in the GCC Salary & Employment Report 2018 Hays research, the current millennial generation makes work-life balance the main reason why they leave the company. When linked in this study, researchers suspect that PT Amway Indonesia employees are very happy in general according to the results of descriptive analysis, but in determining how long they stay in the company, work-life balance is one of the most dominant reasons and happiness is almost the last, because their happiness was high enough where 83.8% of PT Amway Indonesia's employees claimed to be very happy.

The results of effective contributions, the variable work-life balance is the most dominant variable affecting the variable turnover intention that is equal to 48.6% of 50.9%. Suifan, Abdallah, and Diab (2016) show that there is a significant negative effect between work-life balance on turnover intention. This shows that in this study in accordance with previous studies, where work-life balance has an influence on turnover intention (Sakinah & Mardhatillah, 2018)

In this study also showed differences in happiness based on gender, where happiness is higher in male employees compared to female employees. In accordance with a survey conducted by Cigna Corporation in several countries, one of which is Indonesia, in 2019 the CIGNA 360 Well-being Survey Well & Beyond revealed that female employees scored lower on physical well-being, such as lack of sleep and exercise, and showed higher levels of stress (88%) compared to working men (85%). 13% of women also suffer from uncontrolled stress compared to 11% of men. The three main causes of stressors are workload, financial problems, and personal health problems. In addition to the above findings, researchers also found that higher turnover intentions occurred in employees aged 26-35 years. As stated in the introduction section, the 2018 Deloitte Millennial Survey also found that as many as 43% of millennial generation claimed to leave the company within 2 years.

VI. CONCLUSION

Based on the results of data analysis, this study concluded that of the three hypotheses put forward in this study all were accepted. Happiness and work-life balance have a significant role in employee turnover intention at PT Amway Indonesia by 50.9%. One of the most vital factors that determine organizational success is work-life policies. Work-life Policies can be used as one of the company's programs aimed at enhancing an organization's ability to integrate work and personal life needs (e.g. self-care, health care, childcare, elderly care, care of domestic partners, education and studies, personal life interests). Focusing more on work than on family and vice versa, can cause physical and mental imbalances in employees. Providing a balanced time for each activity in accordance with requests and preferences will also be beneficial for employees and the organization (Thompson, Andreassi, & Prottas, 2005). The focus of these work-life policies is to provide flexible working time arrangements and reduce turnover rates (Noor, 2009).

This study also has limitation. The happiness scale used in this study is a scale that measures individual happiness in general, so there is a possibility of bias in this study. Future studies are expected to use the

scale of happiness that is specific to happiness at work. Furthermore, the next researcher is expected to be able to examine other variables related to happiness, work-life balance and turnover intention, by developing models or by expanding the scope of research therefore it can enrich and broaden the study of human resources.

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