

## RETAINING MILLENNIAL EMPLOYEES IN THE WORKPLACE: A LITERATURE REVIEW

Evelin Hudiono <sup>1)</sup>, Reza Lidia Sari <sup>2)</sup>

<sup>1)</sup>Undergraduate Psychology Program, Universitas Airlangga, Surabaya, Indonesia

<sup>2)</sup>Department of Psychology, Universitas Airlangga, Surabaya, Indonesia

Corresponding author: evelin.hudiono-2019@psikologi.unair.ac.id

### Abstract

*Desire to leave organization (turnover intention) is a phenomenon that has increased in recent years, especially for Millennial employees that dominate the job market now and have unique characteristics which require special attention. This systematic literature review aimed to identify the factors that influence turnover intention in Millennial employees. On 25 June 2022, a search on three databases: SAGE Journals, Springer Link, and Web of Science, and keywords "turnover intention\*" AND "Millennial\*" OR "generation y" OR "gen-y", with year filter 2019-2022, showed 73 relevant articles. Furthermore, applying the inclusion and exclusion criterias, there were 5 articles selected. The results showed that the influencing factors are: psychological contract violations, work-life balance, job characteristics (task and knowledge), work fulfillment, and the quality of relationship with colleagues. By knowing these factors, organizations can use them as a reference in formulating strategies to retain Millennial employees in the workplace.*

**Keywords:** Turnover Intention, Employee, Millennial

### Introduction

Millennials are a group of people born between 1977 and 2000 (Vui-Yee & Paggy, 2020). In the world of work, it is estimated that the Millennials will reach up to 75% of the global workforce by 2025 and many of them have also occupied various strategic positions such as leaders or superiors of an organization (Deloitte, 2016). At work, Millennial employees have special characteristics that differentiate them from employees of other generations. For Millennial employees, frequent job changes are common, but a high turnover intention rate causes the organization to become unstable (Hom, Lee, Shaw, & Hausknecht, 2017). According to a study conducted by Rahman et al. (2015), a high level of employee turnover intention causes the organization to lose employees who have knowledge and skills that can help the organization then this will affect the productivity, quality, and profitability of the organization. With a more experienced employee leaving, the new or inexperienced employee has to replace the old one. If employee performance is poor due to a lack of experience, this can affect organizational efficiency. Based on several characteristics that caused the turnover intention of Millennial employees above, a systematic literature review study is needed to facilitate and provide understanding regarding the antecedents of turnover intention in Millennial employees. It is hoped that the results of this literature review can provide an understanding regarding the antecedents, causes, or factors that influence turnover intention in Millennial employees, which in turn can become a reference for organizations and human resource practitioners in order to prevent turnover intention or handle high turnover intention in Millennial employees.

### Literature Review

The high turnover intention rate of Millennial employees has become a major problem in several countries. In the Asia-Pacific region, Millennial employees have the shortest average tenure of 18 months compared to Generation X and Baby Boomers (Queiri, Yusoff, & Dwaikat, 2014). In the United States, according to Foreman (2019, in Feng, Fay, & Xiang, 2021) reported that up to 74% of Millennial employees are expected to quit their current jobs in the next three years. Turnover intention is a conscious and intentional desire to leave an organization (Tett & Meyer, 1993 in Berisha & Lajçi, 2020). Millennial employees are known to be more productive and highly motivated (Hom, Lee, Shaw, & Hausknecht, 2017). They have limited tolerance for stressful tasks, which can lower their levels of engagement and job satisfaction. Additionally, they have high standards for the work being done, therefore if it doesn't fulfill those expectations, wants, demands, or is not satisfactory, this often triggers Millennial employees to leave their jobs or move between organizations (Abate, Schaefer, & Pavone, 2018). This happens because Millennial employees want to be involved emotionally, cognitively, and physically in their work. Emotionally, employees feel the need to have meaningful and empathetic relationships with other people (colleagues, bosses, and subordinates). Cognitively, it refers to an active contribution to achieving organizational goals. Employees who do not feel involved will result in suboptimal role performance and increase turnover intention (Luthans & Peterson, 2002). Millennials basically crave for independence, flexibility, mobility, broad but general knowledge, success, creativity, and freedom of information, all of which are prioritized in their work life (Weerarathne, et al., 2022).

## Methods

This literature review uses three library databases, which are Web of Science, Springer Link, and SAGE Journals. The literature search was conducted for 8 days starting from 25 June 2022 – 2 July 2022 with the search keywords: “turnover intention\*” AND “millennial\*” OR “generation y” OR “gen-y”. Furthermore, there are inclusion and exclusion criteria used for the literature screening process. The inclusion criteria applied are 1) documents issued within the last four years (2019 – 2022); 2) the type of document is an article from a journal; 3) examine the turnover intention of Millennial employees (Millennial, generation y, or gen- y); and 4) articles were in English. Irrelevant articles are articles that do not discuss turnover intention in Millennial employees. The exclusion criteria applied were: 1) articles in the form of peer reviews, reviews, meta-analyses, or the construction and development of measurement tools; 2) use a language other than English; 3) multiple or duplicate articles; 4) full text of the article is not available; and 5) the research results do not explain the antecedents of turnover intention in Millennial employees.

There are a total of 73 articles were obtained then 2 duplicate articles were excluded bringing the total to 71 articles. Based on the screening of the title and abstract according to inclusion and exclusion criteria, there are a total of 40 articles were excluded with details of 21 articles being meta-analysis, review, or construction and development of measuring instruments and 19 articles with irrelevant research discussion. The temporary total was 31 articles remaining. Finally, based on screening of full manuscripts there are a total of 26 articles were excluded because the study results did not discuss the antecedents of turnover intention among Millennial employees. As a result, there are a total of 5 articles that will be further reviewed in this systematic literature review study with details of 1 article from Springer Link, 2 articles from SAGE Journals, and 2 articles from Web of Science.

## Result and Discussion

### Results

These are 5 articles reviewed in this study that describe antecedents, causes, or factors affecting turnover intention in Millennial employees:

**Table 1.** Literature review of Millennial employee turnover intention

No	Author, (Year), Title	Variable	Subject	Psychological Measurement	Results
1	Lee & Chen, (2021), The impact of psychological contract violation and generation difference in the workplace: An empirical study of China.	Independent variable: Psychological Contract Violation Mediator variable: Generational Differences Dependent variable: Turnover intention, In-role performance, Organizational citizenship behaviors – Organization (OCB-O), Organizational citizenship behaviors – Individuals (OCB-I)	313 research subjects working in private companies in China (from marketing, administration, manufacturing, and R&D department): • 181 Generation X (born 1965 – 1979) • 132 Generation Y (born after 1980)	The psychological contract violation: 5-item scale (Robinson & Morrison, 1994) Turnover intention: 7-item scale (Cammann et al., 1979) In-role performance: 6-item scale (Williams & Anderson, 1991) Organizational citizenship behaviors – Organization (OCB-O) and Organizational citizenship behaviors – Individuals (OCB-I): 5-item scale (Podsakoff et al., 1997)	<b>Psychological contract violation</b> has a significant positive effect on turnover intention. In the analysis of generational differences, generation Y employees when facing psychological contract violations are more likely to have higher turnover intention, lower in-role performance, and less organizational citizenship behavior (OCB) than Generation X employees.
2	Jaharuddin & Zainol, (2019), The	Independent variable: Work-life	213 Millennials executive	<i>Job engagement</i> : Utrecht Work Engagement Scale	There is a direct relationship between <b>work-life balance</b> , job engagement, and turnover

	Impact of Work-Life Balance on Job Engagement and Turnover Intention	balance Mediator variable: Job engagement Dependent variable: Turnover intention	employees in Klang Valley, Malaysia	(Schaufeli & Bakker, 2003)  <i>Work-life balance scale</i> (Hayman, 2005)  <i>Turnover intention scale</i> (Rizwan et al., 2014)	intention. A significant relationship founded between <b>job engagement</b> and employee turnover intention. However, no job engagement mediating effect was found between work-life balance and turnover intention.
3	Vui-Yee & Paggy, (2020), The effect of work fulfillment on job characteristics and employee retention: Gen Y employees	Independent variable (Job characteristics): Task characteristics, Knowledge characteristics Mediator variable: Work fulfillment  Dependent variable: Employee retention (defined as participants' intention to quit the company)	153 Gen Y respondents from Klang Valley, Malaysia, consist of: • 73 earlier Gen Y (1977 – 1989) • 80 later Gen Y (1990 – 2000)	Job characteristics: Task characteristics & Knowledge characteristics (Morgeson & Humphrey, 2006)  Work fulfillment (Twenge & King, 2005)  Employee retention (Sánchez-Manjavacas, Saorín-Iborra, & Willoughby, 2014)	Employee retention among Gen Y employees is unaffected by <b>job characteristics</b> in terms of task and knowledge qualities alone. It has been discovered that the association between job characteristics and employee retention is moderated by work performance.  If task and knowledge qualities help Gen Y employees complete their jobs, they may have a favorable impact on employee retention. These traits are examples of workplace enrichment, and it follows that job enrichment is crucial for Gen Y workers, particularly if the sort of job enrichment is consistent with the employee's own values. These workers are therefore more likely to remain with the company and less likely plan to leave because they are satisfied with their job.
4	Hassan, Jambulingam, Alagas, Uzir, & Halbusi, (2020), Necessities and ways of combating dissatisfaction at workplaces against the Job-Hopping Generation Y employees	Independent variable: Management initiative, Soft HRM, Work-life balance Mediator variable: Job satisfaction Dependent variable: Retention of Y Generation	500 generation Y employees working in private companies in Bangladesh	Management initiative: 9-item scale (Oke et al., 2012)  Soft HRM scale (Kane et al., 1999; Roan et al., 2001)  Work-life balance: 5-item scale (Hill et al., 2001)  Job satisfaction scale (Chaudhry, 2011; Saeed et al., 2014)  Retention of Y Generation: 5-item scale (Gary, 2012)	<b>Management initiatives</b> have a significant influence on turnover intention. Management initiative such as providing benefits, promotion opportunities, work-life balance, and good talent management.  Soft HRM has a positive effect or lower turnover intention in Gen Y employees. Soft HRM is like a pleasant work environment, adaptive management style, and work-family balance are elements of soft HRM that affect low turnover intention and increasing job satisfaction.
5	Weerarathne, et al., (2022),	Independent variable: Nature of	297 employees consisting of Generation X	Independent variable measuring tools	In generation Y employees subjects: <b>Nature of working styles</b>

<p>‘Leave or remain’: intentions of Gen X and Y employees</p>	<p>working styles, Personal values, Social values  Dependent variable: Retention, Intention to leave</p>	<p>and Generation Y, each from 7 multinational service sector companies in Sri Lanka</p>	<p>are from (Omondi and K’Obonyo, 2018; Fogaca et al. 2018; Tsui et al. 2006; Megginson and Robert. 2004).  Dependent variable measuring tools are from (Das and Baruah 2013; Kim et al. 1996).</p>	<ul style="list-style-type: none"> <li>• Flexibility They highly value flexibility at work, especially in terms of time</li> <li>• Job performance Good work performance showed if their desires or needs are met</li> <li>• Knowledge sharing They appreciate knowledge-sharing activities carried out between other co-workers.</li> </ul> <p><b>Personal values</b></p> <ul style="list-style-type: none"> <li>• Mentoring They really need a mentor to seek advice, feedback, or guidance in order to get more satisfying and productive work results</li> <li>• Leadership They can learn, collaborate, and socialize fairly quickly in a work environment where they obey their leader’s directions.</li> </ul> <p><b>Social values</b></p> <ul style="list-style-type: none"> <li>• Respect They respect leaders who are honest, forthright, and open minded. There is no awkwardness or rigid relationship with superiors</li> <li>• Communities Generally, they like teamwork both face-to-face and virtual projects</li> </ul>
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**Discussions**

According to the findings of the five literature articles that have been reviewed, several variables were identified as influencing turnover intention in Millennial employees which are categorized into two origins of influencing factors, namely from the work itself and from the organization. Psychological contract violations (Lee & Chen, 2021); soft HRM and management initiatives (Hassan, Jambulingam, Narayan, Islam, & Zaman, 2021); and flexible time, knowledge sharing, mentoring, leadership, community, and respect (Weerarathne, et al., 2022) are identified as factors affecting turnover intention in Millennial employees from the organization. Factors influencing turnover intention in Millennial employees from the work itself are work-life balance and job engagement (Jaharuddin & Zainol, 2019); job characteristics (tasks and knowledge) and job fulfillment (Vui-Yee & Paggy, 2020); and job performance (Weerarathne, et al., 2022). Employees who feel they have a good work-life balance are less likely to consider leaving their jobs. Based on the traits of the Millennial generation, they want flexible work schedules and make time for rest to lower their stress levels (Sahni, 2021). Employees from the Millennial generation tend to be efficient workers and seek significant challenges, involvement, etc. (in their work). This is known as job engagement or work engagement. If Millennial employees don’t feel engaged or challenged by their work, they are less likely to stay in one position for a long time (Abate, Schaefer, & Pavone, 2018). They don’t hesitate to quit or leave the company if they don’t feel that their needs are being met or the task they are doing is not demanding enough to provide them with a sense of job fulfillment (Vui-Yee & Paggy, 2020). Therefore, in order for Millennial employees to remain engaged in their current position, they must feel emotionally, cognitively, and physically invested in it (Feng, Fay, & Xiang, 2021). Finally, because employee happiness can come from a variety of sources, this element might have a broad definition. Employee happiness may be improved in a number of ways, including through management initiatives such as offering benefits, chances for advancement, work-life balance, and effective talent management will encourage employees to stay with the

company. Additionally, one technique to lessen Millennial employees' desire to leave the workforce is through retention initiatives.

### Conclusion

Factors that affect turnover intention in Millennial employees identified from several research journals include work-life balance, job satisfaction, psychological contract violations, job characteristics (task and knowledge), work fulfillment, quality of relationships with colleagues, and trust in the organization. Based on each of these factors, the organization can use it as a reference and explore it one by one which will later be useful for developing strategies to retain Millennial employees in the workplace. Practically through this study would be beneficial to all stakeholders in companies. Retention plans or strategies should be created and revised to ensure that the right implementation of using the antecedents of turnover intention in Millennial employees is in place to keep Millennials from job-hopping and to satisfy their needs. Additionally, it would guarantee the success and productivity of the organization generally. Stable and retains Millennials would benefit the company by inherent their skills to the fullest and utilizing the appropriate strategies would stop both overt and covert organizational losses.

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