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Analysis Of The Influence Of Organizational Engagement And Digitalization In Work Environment On Loyalty Of Generation Y Employees

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Abstract

The purpose of this study is to examine how supportive work environments affect organizational engagement and how that affects employee retention. In this study, questionnaires and interviews were employed as methods of data collecting. Descriptive and causal research methodologies were employed in this study. The research's target demographic consists of generation Y workers in property companies that have permanent job status. Non-probability sampling combined with judgmental sampling is the sampling method employed in this study. 100 people made up the study's sample. Multivariate analysis is typically used with this data analysis method. The findings of the study indicate that there is no statistically significant correlation between a supportive work environment and employee retention. On the other hand, with a very low p-value, a supportive work environment significantly positively affects organizational engagement. In addition, it was discovered that staff retention is significantly positively impacted by organizational engagement. These findings highlight the value of fostering a positive work environment in order to raise organizational engagement among employees, which can then raise retention rates.

Keywords: work environment, organizational engagement, employee.
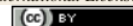
1. Introduction

The property industry sector in Indonesia is experiencing variations in socio-economic growth, with a growth rate of 5%. Although still below overall economic growth, this is an increase from the previous figure in 2020, which only reached 4%. Despite this, the need for housing in Indonesia remains high, with 400 thousand unfulfilled requests for housing units. One of the main challenges in the property industry is the increasingly limited availability of land. Even though conditions in the property sector experience ups and downs, the need for decent and affordable housing remains a priority for the community. In developing the property industry, innovation and collaboration between the government, property developers and other related sectors are necessary to find sustainable solutions. One approach that can be taken is to utilize technology and efficient design to build houses that are more affordable and environmentally friendly. Thus, it can be hoped that the property sector will continue to develop in accordance with the needs of the Indonesian people.

Differences between generations are an increasingly relevant issue in today's world of work. Generation Y employees are starting to enter and will soon dominate the work environment and take on key roles in companies in the next few years. Generation Y is known as a generation that is technical, adaptable and likes to learn. They were born in the era of the internet, a liberal economy, and the high popularity of social media, as well as increasing awareness of the environment and challenges such as terrorism. The environment they grow up in influences their personality, making them cheerful, fun-loving, and willing to take risks. Their values, ethics and work styles are often different from those of generation X and baby boomers. Generation Y tends to be more dynamic and aggressive in developing industries compared to previous generations. They are also more critical because they are familiar with technology, technologically literate, and able to work in teams. However, diversity between generations in a company can also cause conflict if not handled well, which in the end can hamper work productivity. Therefore, it is important for companies to understand the characteristics and values possessed by each generation to create a harmonious and productive work environment.

In the current disruptive era, digital transformation is an important key for every company. Generation Y is considered to have a new perspective that can see the challenges of a disruptive era in a different way than previous generations. The presence of Generation Y employees can be a blessing but also a disaster for the company. They

tend to be open-minded and have high initiative, but because the work culture still adheres to the old or seniority system, many of them feel they do not fit into the company culture and choose to leave. In this context, there are three important things that developers focus on talent or employees, land stock and capital. One of the challenges companies face regarding employees is employee retention or engagement efforts, especially for those engaged in design and development. Employee retention involves all activities carried out by the company to encourage competent and productive employees to remain in the company for a long period of time. Companies typically focus on the retention of exemplary employees because they realize that the costs incurred in recruiting and developing employees are far greater than the costs incurred when those employees leave the company. Losing a model employee can have a negative impact on other employees left behind as well as on company revenue.

Rapid technological developments present new challenges for companies in retaining employees. The current disruptive era creates various pressures for companies to maintain the continuity of their employees. One of the main challenges faced is the talent war, where companies compete with each other to recruit and retain the human resources they need, even by recruiting employees from other companies. Technological developments also facilitate interaction between companies, employees and job seekers through online platforms such as JobStreet, LinkedIn and others. This means that employees, including those with good or exemplary performance, can easily move to another company if they are dissatisfied with the conditions or facilities offered by the current company. Companies must be able to adapt quickly and meet the needs of their employees to stay engaged. Apart from talent wars, new companies, such as startups, also attract the interest of job seekers and employees who work in conventional companies. Startups often offer more attractive facilities and working conditions, which are difficult for conventional companies to match because of the work culture that is embedded in the company. Therefore, companies are currently required to meet the needs of their employees both physically and in terms of work culture in order to retain and recruit quality employees.

Companies today can no longer rely on incentives, salaries and flexibility alone to retain employees. They must provide a clear career path and provide interesting work challenges so that employees do not feel bored with their work. Even though you are given various benefits as an employee, there are several factors that make someone decide to leave the company where they work. One of them is uncertain circumstances in the future, such as having to move house because you are with your husband, plans to move house in the future, or a change in marital status. Another factor is offers from other companies that are more profitable, such as career advancement and higher salaries. However, the need for income to survive is also the reason why some employees remain, even though they are looking for a more suitable workplace. Conventional companies, such as property sector companies, make various efforts to retain employees. They provide salaries and health benefits in accordance with employee work, provide flexibility in permit times, free parking facilities, and special discounts for employees at gyms, hotels, restaurants or hospitals associated with the company's business group, as well as providing rewards for the best employee. Salary is also an important factor in employee retention. The work they do is a means to fulfill life's needs. However, if another company offers a higher salary, many employees will choose to move to a new place. This is because it cannot be denied that materials are also important for surviving today.

Organizational engagement is the level of employee involvement that is reflected in strong associations and commitment to the organization where they work. Workers with high levels of engagement are more likely to actively participate in accomplishing company objectives and to feel a strong sense of duty towards the organization. Additionally, they accept authority and freedom in the performance of their jobs more readily. In order to create strong organizational engagement in the current competitive period, it is critical for businesses to match individual employee aspirations with organizational goals. Employee desire to stay with a specific organization is reflected in their commitment to uphold the organization's principles and make the greatest possible contributions to its success. This is known as organizational engagement. Important markers of organizational engagement include the degree of worker trust in management and the presence of fairness policies. The degree of organizational involvement is greatly impacted by a number of HRM-related initiatives, including fair pay, incentives, growth opportunities, effective career management, harmony between workers and their jobs, and sufficient job control.

Employee retention is directly influenced by a good work environment. The work environment includes workplace conditions, the relationship between superiors and employees, interactions between employees, and the support provided by the company to employees. Theoretically, a supportive work environment will make employees feel more comfortable and involved in the company. Apart from that, a supportive work environment can also increase employee commitment to the company and job satisfaction. However, in reality, in property companies, employees feel that the existing work environment is still less than supportive. Employees may feel that relationships with superiors or coworkers are not optimal, or there may be a lack of support from other departments. This can have a negative impact on employee engagement levels and cause them to feel less satisfied with their work. Therefore,

companies need to pay attention to and improve the work environment to make it more supportive in order to increase employee retention rates.

2. Research Methods

Information used to carry out the research process is referred to as research data. Primary and secondary data are the two categories of data. The findings of in-depth interviews with staff members and the distribution of questionnaires asking them about their experiences working for the company served as the main sources of data for this study. For this study, secondary data were gathered from online books, journals, and articles. This research utilizes descriptive research and causal research. Descriptive research is conducted based on variables from journals and current problems. Causal research aims to determine how variables influence the research problems. The target population of this research is employees with permanent employment status who are members of generation Y who work in property companies. Non-probability sampling with judgmental sampling was used in this research. Judgmental sampling is a sampling technique that involves selecting samples that have certain characteristics according to the researcher's needs. The sample in research was 100. The author used Likert as a measurement scale in the questionnaire distributed to respondents. Understanding the collected data is the basis for activities in data analysis. This data analysis technique typically involves multivariate analysis. This research was divided into two stages, namely the pre-test and the main-test. For the pre-test, the author used the IBM SPSS to test validity and reliability. Meanwhile, for the main test, the author used AMOS.

3. Results and Discussion

Hypothesis testing shows that a supportive work environment does not have a significant effect on employee retention, with a p-value of 0.5. This shows that working environmental conditions are not a significant predictor of employee retention levels compared to financial income factors. Although previous research shows that company efforts such as support, work culture, work environment, employee recognition, rewards, and other factors influence employees' decisions to stay with the company, the data from this research does not support the hypothesis that a supportive work environment has a positive effect on employee retention. . Based on the results of in-depth interviews and data from questionnaires, even though employees are given a good working environment, they tend to always look for a better one for the sake of feeling safe and comfortable. The majority of Generation Y employees in the next five years do not plan to remain with the same company. Generation Y tends to see work in terms of salary, career development, opportunities for promotion, relationships with coworkers, and balance between work and life. If the company does not meet these aspects, Generation Y employees will not hesitate to look for a company that better meets their expectations.

The results of hypothesis testing indicate that employee involvement in the business is significantly positively impacted by a supportive work environment. This is consistent with other study results that demonstrate how employee engagement with the company may be positively impacted by both a supportive work environment and effective employee development as an intrinsic reward. A healthy work atmosphere is mostly dependent on trust elements that are critical for leaders to foster, such as competence, openness, thoughtfulness, and reliability. Leaders who generate trust are more likely to foster a positive work environment, which in turn raises employee engagement with the company. As a result, businesses must recognize how critical it is to establish a happy and encouraging work atmosphere. This can be done through various initiatives, such as providing clear career development, encouraging open communication, recognizing and rewarding employee contributions, and ensuring fairness in company policies and practices. By investing in these things, companies can create an environment where employees feel motivated, engaged, and committed to achieving shared goals.

Hypothesis testing shows that the level of organizational involvement has a significant positive influence on employee retention levels. These results are in line with previous research findings, which show that to retain employees, companies must encourage employee involvement by providing them with opportunities for participation, freedom, and trust. Organizational involvement is very important in the midst of intense business competition and the dynamics of an ever-changing business environment. Companies that want to continue to progress and compete must be able to obtain, develop, and retain quality employees. Employees who are actively involved in the organization tend to be more loyal and motivated to make the best contribution to the company. In the context of the property industry, where business competition may be fiercer, efforts to increase organizational engagement can be an effective strategy for maintaining employee retention. This can be accomplished in a number of ways, including by offering chances for decision-making participation, giving helpful criticism, fostering a happy work atmosphere, and offering chances for professional advancement. By doing this, businesses can foster an environment at work that inspires and keeps workers who have the potential to significantly impact the success of the business.

The results of this research reveal that for employees, there is a positive influence of a supportive work environment on organizational engagement. It can be seen from the descriptive analysis that has been carried out that the

majority of respondents agree with the indicators in the supportive work environment and organizational engagement variables. Through this, it can be concluded that the two variables are correlated with each other, as evidenced by a p-value of 0.00. Based on the results of the answers from respondents, the majority of whom responded positively to the existing indicators, there are several differences with the in-depth interviews conducted on several generation Y employees who work in the property sector, such as superiors of employees who are less professional in their work and employees who must be professional to avoid subjectivity. and the number of jobs that are sometimes outside of the job description. This is what the company must pay attention to in the current conditions of the employee's working environment and pay more attention to the welfare of its employees by building a more friendly environment with no seniority, building the professionalism of its employees at work, and if there is work that is outside the job description, the employee must give consideration to the employee's own career development. A friendlier environment can be created with good relationships and interactions between employees and superiors, a warm atmosphere at work, and employees being free to express their ideas. No seniority in this context is meant by the absence of abuse of position and position by superiors to their subordinates, for example, giving excessive job descriptions outside of the employee's work, not wanting to listen to the opinions of his subordinates, and assuming that he is always right. With the company's attention to its employees in terms of a supportive work environment, it is hoped that it will further help increase organizational engagement from generation Y employees.

In this research, the results showed that organizational engagement had a positive effect on employee retention, which was supported by data with a p-value of 0.00. Even though it has a significant relationship, in this variable, for each indicator, many respondents chose the middle number, namely three, which describes a situation where they are quite or confused about their attitude towards the company. Many employees respond to statements about how proud they are to work at the company today with a neutral attitude. This is one of the statements that companies should pay attention to in order to increase employees' sense of pride in the company so that their desire to stay at the company also increases. Then employees are also confused about the decisions they will take if, for example, in the future the company experiences bad conditions. Even though many people respond neutrally, employees feel they understand the vision of the company where they work well. Based on in-depth interviews conducted with several generation Y employees who work in property, the majority have low levels of organizational engagement. This level of engagement is also something that companies must pay attention to. Steps that must be taken by companies to increase organizational engagement are to share common goals by giving employees the right to make decisions and employees both knowing what the goals of both parties are. Then the company also builds a strong emotional relationship by showing concern for employees, such as by holding job evaluations and giving recognition and personal development to employees. And the company also builds cooperation between employees to instill a culture of openness within the company. If the company has taken steps to increase organizational engagement from employees, employee retention will also increase as the sense of attachment grows.

4. Conclusion

Based on the research results, it was found that a supportive work environment does not have a significant relationship with employee retention. On the other hand, organizational engagement is significantly positively impacted by a supportive work environment. In addition, it was discovered that staff retention is significantly positively impacted by organizational engagement. These findings highlight the value of fostering a positive work environment in order to raise organizational engagement among employees, which can then raise retention rates. Based on the research results, there are several suggestions that can be given to property companies in the Tangerang area to increase employee retention: First, companies need to pay attention to the relationship between superiors and subordinates. Bosses must care more and pay attention to employees' work goals. Listening to and getting to know subordinates better, providing consistent constructive feedback, and providing guidance and career development will increase employee engagement with the company. Second, the amount of work given to employees must be within reasonable limits. Generation Y employees value jobs that provide engaging content, prospects for growth, and career opportunities. Providing additional work that challenges and contributes to employee development can increase their desire to stay with the company.

Third, the company needs to build a good image in the eyes of employees. Providing a conducive work environment, appropriate rewards and recognition, and building employees' sense of pride in the company will increase employee engagement. Fourth, companies need to keep up with the development of generation Y, who tends not to plan to stay in the company for a long period of time. By implementing the values desired by generation Y, such as long-term careers, growth opportunities, and work-life balance, companies can increase employee retention. Fifth, providing a salary that is appropriate to the employee's job and needs can increase the employee's desire to stay with the company. Finally, companies need to have alternatives to deal with employee uncertainty, such as moving locations or changing marital status, by providing adequate transportation allowances, hospital

allowances, or time flexibility facilities. Based on the conclusions obtained, there are several suggestions for further research. First, add a section to the respondent's profile regarding the division or section where they work. In this way, we can better understand different views because each division has different job characteristics and ways of working, which can influence employees' views on the factors that make them stay in the company. Second, expand the target population. Property companies are spread throughout Indonesia, so expanding the respondent's domicile can provide a broader view, considering the differences in culture and work environment between regions. Third, conduct research not only on property companies but also on companies in other sectors. With the increasing number of members of generation Y in the workforce, many companies are facing similar problems with employee retention. By choosing companies with different characteristics, such as those that still use low technology or work environments that are not dynamic, it can provide new insight into retaining generation Y employees.

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