

The Effect of Flexible Work Arrangement and Work Life Balance on Turnover Intention of Y Generation Employees

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Abstract: Turnover intention in employees is an important thing for a company or organization, both small companies and large companies. Many factors influence this, this is also in line with the millennial generation or generation Y which currently dominates the world of work and has quite high turnover rates. So, this research aims to analyze and determine the factors that cause turnover intention by choosing two variables, namely flexible work arrangement and work life balance. Using the IBM SPSS 29 data processing tool, the method used in this research is quantitative descriptive analysis. The research population is all generation Y employees or the millennial generation at PT head office. Menara Ultra Indonesia has 125 employees and the technique used to analyze the data is multiple linear regression analysis. The results show that partially flexible work arrangements influence turnover intention in the opposite direction, meaning that if the flexible work arrangement value increases, the turnover intention value will decrease. Based on the findings that have been tested, the work life balance variable influences turnover intention in the opposite direction, meaning that when the work life balance value increases, the turnover intention value will decrease. Based on simultaneous tests, the results show that flexible work arrangements and work life balance have a significant influence on turnover intention, meaning that with flexible work arrangements and work life balance, turnover intention will experience changes.

Keywords: Flexible Work Arrangement, Work Life Balance, Turnover Intention, Y Generation

I. Background

The COVID-19 pandemic attack in 2019 affected almost all countries in the world. To prevent the spread of the virus, countries are implementing lockdowns. This has changed human life patterns in terms of activities, one of which is work. Many large companies are implementing flexible working, this has certainly changed a lot of office operations. Both during the COVID-19 pandemic and after the pandemic, flexible work arrangements and working from home are great options. The concept of flexible work scheduling means that employees can choose a flexible workplace, a flexible number of working hours (shifting or job sharing) and a flexible work schedule. For the millennial generation, achieving work-life balance in the workplace can be done through clear guidance from superiors for employees in terms of completing work, clarity of tasks and responsibilities, flexible working time selection, a comfortable work environment, a company vision that is clear enough to be able to describe Company commitment, self-development and challenges are also quite important for the millennial generation (Luntung et al., 2014).

High quality resources provide opportunities for businesses to compete in the current era of globalization. Because generation Y or millennial dominate the world of work today, companies must develop and manage them in the right way so that the company's mass vision can be achieved. Generation Y's characteristics, work attitudes and expectations are different from previous generations. A balance between socializing with friends and family and having flexible working hours is one of the characteristics of millennial generation employees. This means that if work life balance can be achieved, an increase in employee loyalty towards the company will occur, of course this will have a positive impact on the company (Yahya et al., 2018). Ismail & Hoo (2014) also researched a similar matter and found the results that the millennial generation is a disloyal generation, while companies really need employees with high loyalty for the company's future development. So that companies can compete in the global era.

Nindyati (2017) stated in her research that the turnover intention rate is greater in the millennial generation compared to the younger generation. This is because the meaning of loyalty for generation Y towards a company is not whether or not they stay with the company for long but rather being able to be responsible for their duties. According to the Deloitte Millennial Survey (2018), 10,455 people from the millennial generation were surveyed in 36 countries, 71% of millennial employees will make a turnover in 2020. Apart from that, from 2015 to 2017, the survey was also conducted by the South Korean platform Job planet (2017) which functions as online world of work community. A total of 88,900 employees (81,900 generation Y and 7,100 generation X) are spread across 25 provinces in Indonesia grouped by age. The results obtained were that for 1 to 2 years, 76.7%

of generation Y survived, while for generation X only 39.7%. The survey shows that the percentage of turnover carried out by generation Y is quite high even though the world of work is being dominated by generation Y or the millennial generation.

The survey results are interesting for researchers to study, considering the importance of predicting turnover in a company dominated by the millennial generation. Therefore, the purpose of this study is to investigate the effect of flexible work arrangement and work life balance on turnover intention of Y Generation employees in Menara Ultra Indonesia Corp.

II. Literature Reviews

Flexible Work Arrangement

Flexible work arrangements are a person's freedom to choose and determine what is related to their work, including where, when and how long to do the work (Jeffrey Hill et al., 2008) so it can be concluded that there are three things in a flexible work arrangement. First, workers can plan their own work schedule (schedule flexibility). Second, workers can choose a place or location where a worker can do their work (place flexibility). Third, employees have the ability to determine their own working hours, including starting and ending working hours (reduce hour's employment). Carlson et al., (2010) also stated that flexible work arrangements are an alternative approach to building a workplace where workers can freely determine the time, place and length of time they will do their work. Stavrou (2005) stated that work flexibility allows employees to freely determine where and when they will work. This allows them to balance their time between work and family without interfering with other responsibilities. The number of workers who want to leave the company is lower for this reason.

Singh & Rashid (2021) found that flexible work arrangements have an impact on employee well-being and engagement. So it can reduce the turnover intention rate among employees. Flextime and flexible leave have been proven to significantly reduce employees' propensity to leave the company, but working from home is not associated with employee retention. Additionally, perceived job independence was found to be a significant moderator between FWA and turnover intention. Employees who work with a high perception of work independence will benefit more from FWA, considering the importance of considering the employee's work structure before implementing a flexible work plan (Tsen et al., 2021).

Work Life Balance

Ismail & Hoo (2014), in their research, revealed that a person's inability to balance their personal life and work indicates that they tend to choose to quit their job. Therefore, implementing work-life balance will reduce stress and reduce the percentage of people who want to quit. In a survey conducted by Deloitte (2018), work life balance is the seventh reason why workers stay at the company. However, it is not first place, and millennials are very concerned about this balance in their lives. Friani & Mulyani (2018) explain that work life balance can be defined as achieving satisfaction in all aspects of life, such as work and personal life. For the millennial generation, the lack of work life balance can increase stress for them and this causes an increase in turnover intention Schaefer (2017). Jahya et al., (2020) also stated that a lack of work life balance is one of the causes of work stress and increased turnover intention.

Turnover Intention

According to Bluedorn, in research conducted by Mufidah (2016), turnover intention is when a worker has a tendency to resign voluntarily or wants to leave the organization. In the sense that the worker does not really want to leave the organization

One of the big problems companies face is the high turnover rate, both large and small companies. The company must expend resources and time to find a suitable replacement. Recruiting requires quite a large amount of money, because there will be training and orientation of new employees. Additionally, high turnover can hinder a company's productivity in the short term, as new employees must adapt to their jobs and environment. Therefore, understanding the factors that contribute to turnover intention is important for companies or company managers from both the company and employee perspectives.

Y Generation

Y Generation is also known as the millennial generation, consisting of people born between 1979 and 1994 (Smola & Sutton, 2002). Y Generation grew up along with the rapid development of technology, so they are very ambitious, understand technology, and value their personal growth and development. Generation Y is also known for its significant changes in work life balance and flexibility. In addition, generation Y considers corporate responsibility and values to be important, so they often prefer companies that are in line with the principles, personal values and views of society that they adhere to. Y Generation has now dominated the workforce and their retention is a challenge for policy makers and organizations. Generation Y is more career-oriented and ready to change if there is a mismatch between job requirements and skills. Compared to previous generations, the millennial generation is less able to overcome boredom. This makes the millennial generation change places of work more quickly than previous

generations (Chavadi et al., 2021). By considering expert opinions, it can be concluded that Generation Y or the millennial generation prioritizes balance in terms of work and personal life.

Conceptual Framework

Based on the literature reviews above, the conceptual framework of this study can be seen in the figure 1 below.

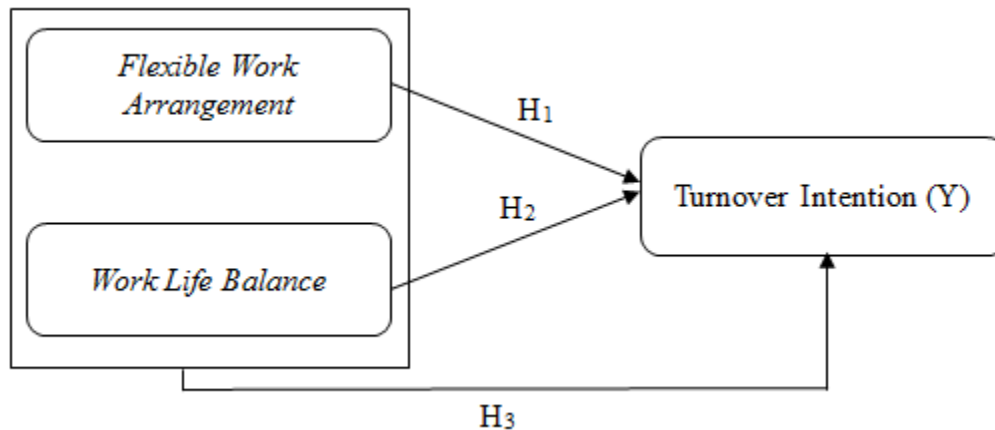


Figure 1. Conceptual Framework

Based on the conceptual framework above, the hypotheses of this study can be developed as follow:

H1: Flexible work arrangement has a significant effect on turnover intention

H2: Work life balance has a significant effect on turnover intention

H3: Flexible work arrangement and work life balance have a significant effect on turnoverIntention

III. Research Method

This research was conducted using quantitative descriptive analysis, and data processing tools using the IBM SPSS 29 program. This type of research aims to obtain accurate information regarding the influence of flexible work arrangement (X1) and work life balance (X2) on turnover intention (Y) experienced by the millennial generation. This is done by distributing questionnaires to employees using a Google Form. This research involved millennial generation employees of Menara Ultra Indonesian Corp. The term "millennial age" is used to refer to the generation who born from 1979 to 1994, totaling 125 employees aged 29 to 44 years. Validity test, reliability test, classical assumption test, multiple linear regression test, coefficient of determination test, t test and F test were used to analyze in this research.

IV. Results and Discussions

Results

The respondents of this study are 125 employees. The characteristics of the respondents of this study can be explained by age, gender, education, and the working period. The results of statistical process show that based on age, 87 male or 70% and 38 female or 30%. Based on the age, the result shows that 29 to 33 years, 64 people or 51%; 34 to 38 years, 46 people or 37%, and 39 to 44 years, 15 people or 15%. Based on the level of education, there are 38 people from Senior High School or 30%, 83 people from Undergraduate or 60%, and 4 people from Master Degree or 4%. Then based on length of work, 1 to 2 years as many as 51 people or 41%, 3 to 4 years as many as 46 people or 37%, 5 to 6 years as many as 10 people or 8%, and more than 6 years as many as 18 people or by 14%.

The validity tests show that variables X1, X2, and Y obtained a significance value below 0.05. The correlation coefficient value is greater than the r table that has been determined. So it can be concluded that each indicator is declared valid. The Alpha formula was used to test reliability in this study, and all variables showed results above 0.60. This means that the variables used are reliable enough to use for this research.

To test the normality of the data in this study, the Kolmogorov-Smirnov sample test method and the normal distribution test were used. The criteria used are that the research data comes from a population that has a normal distribution with Sig. > 5% ($\alpha=0.05$). Table 1 below shows the result of normality test.

Table 1. Result of Normality Test

One-Sample Kolmogorov-Smirnov Test			
		Unstandardized Residual	
N		125	
Normal Parameters ^{a,b}	Mean	.0000000	
	Std. Deviation	1.69836072	
Most Extreme Differences	Absolute	.032	
	Positive	.031	
	Negative	-.032	
Test Statistic		.032	
Asymp. Sig. (2-tailed) ^c		.200 ^d	
Monte Carlo Sig. (2-tailed) ^e	Sig.	.992	
	99% Confidence Interval	Lower Bound	.990
		Upper Bound	.994

a. Test distribution is Normal.
 b. Calculated from data.
 c. Lilliefors Significance Correction.
 d. This is a lower bound of the true significance.
 e. Lilliefors' method based on 10000 Monte Carlo samples with starting seed 2000000.

The result of normality test found a Sig value. 0.200, it indicates that the data used in this study is normally distributed. Table 2 below shows the result of multicollinearity test.

Table 2. Result of multicollinearity test

Variable	<i>Collinearity Statistic</i>	
	<i>Tolerance</i>	<i>VIF</i>
<i>Flexible Work Arrangement</i>	0,997	1,003
<i>Work Life Balance</i>	0,997	1,003

The table above shows that the values for these two variables are below 10. The conclusion is that there is no multicollinearity between the two variables. The result of the heteroscedasticity test shows that the regression equation used in this research is effective and the conclusions made are correct because the independent variables, namely the flexible work arrangement and work life balance variables, have the same variance. Table 3 below shows the result of multiple linear regressions.

Table 3. Result of Multiple Linear Regression

Coefficients^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	15.056	1.773		8.490	<.001
	Flexible Work Arrangement	-.098	.041	-.207	-2.353	.020
	Work Life Balance	-.089	.062	-.126	-1.431	.155

a. Dependent Variable: Turnover Intention

Based on table 3 above, the results of multiple linear regression testing obtained the following multiple linear regression equation:

$$Y = 15.056 - 0.098X_1 + 0.029X_2$$

A constant value of 15.056 indicates that if the flexible work arrangement (X1) and work life balance (X2) variables are considered constant, the turnover intention (Y) variable has a positive value of 15,056. The results of the flexible work arrangement regression coefficient (X1) from the multiple linear regression tests are -.098. The negative sign means that if the variable flexible work arrangement (X1) increases, the level of turnover intention will decrease. Conversely, if the flexible work arrangement variable (X1) decreases, it will increase the level of turnover intention (Y). The same thing also happened to the results of the work life balance regression coefficient (X2) from the homepage linear regression test of -0.089. The negative sign means that if the work life balance variable (X2) increases, it will reduce the level of turnover intention. And conversely, if the work life balance variable (X2) decreases, it will increase the level of turnover intention. Table 4 below shows the result of determination coefficients.

Table 4. Coefficient of determination test results

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.248 ^a	.061	.046	1.71223

a. Predictors: (Constant), Work Life Balance, Flexible Work Arrangement

The results of data processing using the IBM SPSS 29 tool show a value (R) of 0.248 or 24.8%. This figure explains the existence of a relationship between variables X1 and variable X2 with variable Y. The R² (R Square) value is 0.046. The explanation is that the flexible work arrangement variable (X1) and the work life balance variable (X2) account for the turnover intention variable (Y) by 4.6%, the remaining 95.4% is explained by variables that are not mentioned in this research.

The hypothesis formulation in this research was tested with a significance level of 5% or $\alpha = 0.05$. The results of hypothesis testing are as follows:

Table 5. The result of F test

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	23.419	2	11.709	3.994	.021 ^b
	Residual	357.669	122	2.932		
	Total	381.088	124			

a. Dependent Variable: Turnover Intention
b. Predictors: (Constant), Work Life Balance, Flexible Work Arrangement

The results of data processing using the IBM SPSS 29 program obtained F-count of 3.994 and greater than F-table (3.07). The significance value is 0.021, greater than 0.05. This explains that the flexible work arrangement variable (X1) and the work life balance variable (X2) simultaneously have an influence on turnover intention. Table 6 below shows the result of the effect of flexible work arrangement on turnover intention.

Table 6. The result of T-test – FWA on TI

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	12.972	1.015		12.777	<.001
	Flexible Work Arrangement	-.101	.042	-.214	-2.427	.017

a. Dependent Variable: Turnover Intention

The conclusion from this t test is that partially the flexible work arrangement variable (X1) influences the turnover intention variable (Y) in the opposite direction. This can be explained by the sig (0.017) that less than level of 5% ($\alpha = 0.05$) with a confidence level of 95%, the t-table value is 1.979 and the t-count > t-table (2.427 > 1.979). The effect of work life balance on turnover intention can be seen in the table 7 below.

Table 7. The result of T-test – WLB on TI

Coefficients^a						
Model	Unstandardized Coefficients			Standardized Coefficients	t	Sig.
	B	Std. Error	Beta			
1	(Constant)	12.901	1.546		8.343	<.001
	Work Life Balance	-.097	.063	-.137	-1.537	.127

a. Dependent Variable: Turnover Intention

Table 7 above shows that partially the work life balance (X2) does not significantly influence the turnover intention variable (Y). This can be explained by the sig (0.127) that higher than level of 5% ($\alpha = 0.05$) with a confidence level of 95%, the t-table value is 1.979 and the t-count < t-table (0.137 < 1.979).

V. Discussions

The result of this study shows that the flexible work arrangement has a significant effect on turnover intention of Y Generation employees on Menara Ultra Indonesia Corp. Employee flexibility in managing working hours, workplace, when work starts and ends can reduce work stress levels which influence turnover intention. By implementing flexible work arrangements in a company, it can reduce conflicts between workers and their families and co-workers. Based on theory, flexible work arrangements are a concept where workers can choose when, where and how long they start working provided they can complete the tasks and responsibilities given by the company (Singh & Rashid, 2021).

The result of this study show that work life balance does not have a significant influence of employee turnover intention. Besides, the relationship between work life balance and employee turnover intention is negative, it means that a good work-life balance is quite important for the well-being of workers. If this is fulfilled, the feeling of wanting to resign will be less likely to occur. Research conducted by Javed et al., (2014) has similarities with this research, that work life balance has a significant negative influence on turnover intention. This research concludes that if work life balance is low, turnover intention will increase and vice versa, if work life balance is high, turnover intention will decrease.

The results of the analysis in this study show that flexible work arrangements and work life balance have significant negative results on turnover intention. It means that if the company implements flexibility in work and balances personal life with work, the tendency of workers to leave the company will be smaller. Implementing flexible work arrangements can impact employee well-being and engagement, thereby reducing turnover intentions among employees (Singh & Rashid, 2021b). Likewise with work life balance, if employees have a balanced personal life with work, the level of turnover intention will decrease.

The positive impact of flexible work arrangements is flexible working hours, choosing a comfortable place and anywhere, and working remotely (telecommuting). Offering flexible work arrangements can contribute to lower turnover intentions. Employees who can better balance work and personal responsibilities may feel more committed to their organization. A healthy work-life balance is essential for employee well-being. When individuals can manage their professional and personal lives effectively, stress and burnout levels will be reduced. Work life balance has been associated with reduced turnover intention. Employees who feel they can meet their personal and family needs tend to be more satisfied and less likely to look for other work.

VI. Conclusions

Result of this study show that flexible work arrangement and work life balance have a significant influence on turnover intention of Y Generation employees, so companies can consider implementing them in several divisions where flexible work arrangements are possible. Companies are expected to maintain employee work-life balance, namely by not contacting employees regarding work outside working hours. A healthy work-life balance is essential for employee well-being. When employees can manage their professional and personal lives effectively, stress and burnout levels will decrease.

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