

The Effects of Work-Life Balance towards Employee Engagement in Millennial Generation

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Abstract. *Company needs to maintain and to give consideration to their employees as they want the company productivity to gain profits. The majority employees in the company are from millennial generation. Millennial generation without a doubt leaves their company when they have not felt yet attached to the company. Employee engagement is one of the ways that can make the employee stay at the company. Employee engagement which consists of vigour, dedication and absorption dimension are known to have a positive impact on the employee productivity. In contrast, employee disengagement can destruct the company. One of the aspects that can improve employee engagement is work-life balance. The objective of this study is to find out the effects of work-life balance on employee engagement in millennial generation employees. The research participants in this study were employees of PT. Senwell Indonesia from Banjarmasin. In collecting the data, researchers employed a work-life balance scale and the Utrecht work engagement Scale. A simple linear regression was recruited so as to analyse the data. The results have shown that the percentage of work-life balance on employee engagement shows 14.3 %. Companies that give consideration to the welfare of employees' personal life and work life are proven to be able to influence the level of employee engagement in the company.*

Keywords: *Work-life balance, employee engagement.*

Introduction

In modern era, all needs are demanded to be quickly and correctly. Recently, the company wants to be proactive, initiative, self-directed and responsible employees for their own development and performance (Bakker, Schaufeli, Leiter and Taris, 2008). The company requires the energetic, dedicated workers, and fully concentrate on their work, or have an attachment on their work (Bakker, et al, 2008).

Organizational productivity is determined by the effort and attachment of work by the employees (Musgrove, Ellinger, & Ellinger, 2014). Furthermore, the research states that the employees who are engaged consistently proved more productive, profitable, safer, healthier, and tend to persist in their companies (Fleming & Asplund, 2007; Wagner & Harter, 2006 in Ahuja and Modi, 2015). Employee engagement is one way to retain employees done by a company.

Likewise, a study done by Dale Carneige Indonesia released in October 2017 states that around 25% of millennial employees are fully engaged or involved with the company where they work. Moreover, nearby 66%

of employees are bound or involved in part of their workplace, and 9% of employees refuse to be engaged. On another hand, only 1 of 4 employees is fully engaged in working with the company.

In addition, the challenge of employee engagement lies on the company proper as they face the challenge of entering the millennial generation in the world of work. Millennial generations have different thoughts and demands from previous one. According to Shah (2017), millennial generations need attention because of their growing numbers in the workplace. Further, they are also different from prior generations. The best attraction and retention of millennial generations are very important for any business to maintain and to grow in the future.

Furthermore, a research conducted by Mohd, Shah, and Zailan (2016), states that the factors that can influence employee engagement are reward, work environment, and work-life balance. Reward is able to reduce complaints regarding compensation / payment, reduce turnover, reduce absenteeism, and reduce employee performance problems (Scott & McMullen,

2010). According to Anitha in Mohd, Shah, and Zailan (2016), there is a significant connection between employee, work environment and employee engagement. A safe work environment can attract new employees in the vacant position.

Work-life balance (WLB) is very important to attach to millennial generations. For them, having leisure time is an important source of well-being in the workplace (Kultalahti & Viitala., 2014). The definition of WLB can be interpreted as the amount of time spent on doing a job compared to the amount of time spent with family and doing things they may enjoy (Meenakshi, Subrahmanyam, and Ravichandran, 2013).

WLB benefits employees and organizations collectively (Mesimo-Ogunsanya, 2017). WLB is about how to help employees maintain a healthy and beneficial lifestyle that affects their performance improvement (Grimm, 2017). According to Oludayo, Falola, Obianuju, & Demilade (2018), WLB is a concept designed to improve job predictability and career sustainability of employees.

Employee engagement for the company is very important because it is an effort to improve the relationship between the company and its employees. Departing from above statements, researchers are going to examine the effect of WLB on employee engagement in millennial generations. Consequently, researchers will more focus on revealing the positive effect between WLB and employee engagement.

Review Literature

Anitha in Mohd, Shah, and Zailan (2016) have argued that employee engagement is the level of commitment and employee involvement that impacts on the organization or company where it works and its values. (Brunetto, Teo, & Far-Wharton, 2014) as well mention and measure emotional and intellectual commitment of employees to the organization.

According to Joshi (2011), determinants of employee engagement cover job content, compensation and benefits obtained by employees, WLB, relationships between superiors and employees, career paths, and teamwork. Some factors that hinder or even damage the level of employee engagement are insecurity, injustice, work without space, under pressing work with little flexibility or autonomy, poor management behaviour, bullying, and non-stop working period (Saks, 2006).

Schaufeli et al (2008) divide the dimensions of employee engagement into 3 aspects. The first aspect is the aspect of vigor, characterized by high levels of strength and mental resilience at work, high will for work, and persistence in facing difficulties. The second aspect is dedication, marked by a feeling that is full of meaning, enthusiasm, inspiration, pride, and being challenged at work. The latter is absorption, characterized by a deep concentration and interest in the work. In this dimension, individuals find it difficult to free themselves from their work.

Work-life balance (WLB) is two demands where work and one's life must be in line (Lockwood, 2003). Whereas, according to Hill (2001), WLB is someone who is able to balance the demands of time, emotion, attitude, and responsibility on his work.

WLB provides benefits in the form of a combination of increasing job satisfaction and loyalty, promoting job performance, reducing costs due to turnover, absenteeism, recruitment and selection, increasing organizational productivity (Lazar, Osoian, & Ratiu, 2010), talented employee retention, productive innovation through increased employee involvement (Benito-Osario, Muñoz-Aguado & Villar, 2015). All of these aspects lead to desired outcomes in the form of improving employee and organizational performance.

The right action of WLB will prevent behavioural irregularities in the world of work (Osibanjo, Olubusayo, Olalekan, & Adenike, 2015). According to Lazar, Osoian, & Ratiu (2010), the benefits of WLB for companies include: (1) reducing the level of absence and delay; (2) showing employee commitment and loyalty; (3) reducing employee turnover; (4) increasing customer retention; and (5) growing productivity.

Furthermore, millennial generations are individuals born in the 1980s to 2000s. Millennial generations use instant communication technologies such as email, SMS, instant messaging, and social media through Facebook and Twitter. In other words, millennial is the generation grows up in the booming internet era (Lyons, 2004). The characteristics formed in millennial generation are internet addiction, confidence, high self-esteem, open-mindedness, and tolerance for change (Kilber, Barclay, & Ohmer, 2014).

Moreover, a study conducted by Nnamboozee & Parumasur (2016) mentions the important factors for millennial including salary, recognition for individuals, flexible work schedules, and career advancement. Unfortunately, there are also intrinsic factors that affect millennial satisfaction, which are opportunities for organizational ownership, training, perceptions of supervisory support, varied and meaningful work, and a balance between personal life and work life (Solnet & Hood 2008).

Work-life balance (WLB) is defined as the steadiness between work life and life outside the work (personal life). According to Benito-Osario et al (2015), WLB has a role in increasing the employee engagement. In addition, according to Lazar, Osoian, & Ratiu (2010) the benefits of WLB are the existence of commitment, the loyalty and increasing the employee productivity.

According to Wastermen & Yamamura (2007), the entry of millennial generation in companies has their own demands that can affect productivity, motivation, and raise retention problems and turnover. Millennial generations have demands to have more flexible working hours as a source of their welfare (Kultalahti & Viitala, 2014). Employees who have more flexible working hours are able to take responsibility in their lives, to provide psychological benefits (reduce anxiety and stress), and to deliver benefits to companies such as

improving performance, concentration, loyalty, motivation, and commitment (Downe & Koekemoer, 2011).

The relationship between the application of WLB and employee engagement is explained by using social exchange theory (Blau in Slack, Corlett, & Morris, 2014). This theory explains that companies care and provide opportunities for their employees. Hence, employees will show certain attitudes and behaviours. More precisely, employees receive favourable treatment they tend to reciprocate which leads to benefits between the company and employees (Eisenberger, Stinglhamber, Vandenberghe, Sucharski, & Rhaodes, 2002).

Application of social exchange theory to WLB lies when employees feel that the company helps the balance of work and personal life. Accordingly, employees feel cared for and supported by the company. With reciprocal norms, employees feel obliged to reciprocate the facilities given by the company by providing better attitudes and behaviour in the workplace. Employees respond to these things by increasing positive feelings for work (Aryee, Srinivas, & Tan, 2005). When employees are given attention by the company, the employees will respond with a certain level of employee engagement (Saks, 2006).

To conclude, WLB has a positive impact on the employee engagement for millennial generation employees in maintaining and optimizing their capabilities.

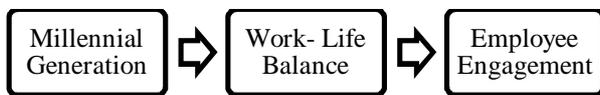


Figure 1. Theoretical Framework

Methods

The research participants were employees of PT. Senwell Indonesia located in Banjarmasin. There were 105 employees recruited to take a part in this current study. The researchers used purposive sampling technique to select participants who were in accordance with the criteria proposed in this study. There were three criteria used to select a sample from the population: (1) the employees worked for at least 48 hours a week, (2) the employees were 18 to 36 years old, (3) and the employees had worked in the company for 1 year. Then, the researcher recruited 52 employees who met these criteria.

In this current study, researchers proposed two variables; Variable X or independent variable represented by Work-life balance (WLB), and Variable Y or dependent variable characterized by employee engagement. In scale of WLB, there were four options, such as totally agree, agree, disagree, and totally disagree. Meanwhile, the employee engagement’s ratio used alternative options, which were never, seldom, sometimes, often, and always.

WLB was defined as the balance between work life and personal life. According to Hayman (2005), there

were three aspects that led to WLB; (1) Work Interference with Personal Life (WIPL), how far could work interfere their personal life, (2) Personal Life Interference with Work (PLIW), how far could personal life interfere their job, and (3) Personal Life Enhancement of Work (PLEW), how far could personal life improved individual performances on their job. The ratio used for the variable was classified by Hayman. WLB’s ratio had validity value of 0.309-0.665 and reliability value of 0.828 with the total item of 11.

Employee engagement was a positive attitude applied by the employee concerning the value of organization and company. There were three dimensions of employee engagement, namely (1) vigour, (2) dedication, and (3) absorption (Schaufeli et al, 2008). The variable of this study was adapted via Utrech Work Engagement Scale (UWES) ratio classified by Schaufeli & Bakker (2003). The ratio of employee engagement had validity value of 0.442-0.704 and reliability value of 0.900 with the total item of 16.

Results

Table 1. Research Respondents’ Description (N=52)

	Categories	Frequencies	Percentages %
Gender	Male	28	53.9 %
	Female	24	46.1 %
Education	SMA	42	80.8 %
	D3	2	3.8 %
	S1	3	5.8 %
	S2	2	3.8 %
	S3	3	5.8 %

Based on the table above, it was discovered that percentage of 28 male respondents was 53.9% and 24 women respondents was 46.1%. Each respondents had the different education background divided into four categories. There were 42 Senior High School graduates with a percentage of 80.8%, there was only one diploma graduate and master graduate showed 3.8%, and bachelor graduate and doctoral graduate displayed 5.8%.

From analysis, it was discovered that the WLB variable had a maximum value of 44 and minimum 17. The empirical median value was 32.39, while the hypothetical median was 27.5. The variable employee engagement had a maximum value of 80 and the minimum value was 37. The empirical value of the variable was 65.65 and the hypothetical mean was 48. It was clear that the empirical mean value was bigger than the hypothetical mean and the data had a high tendency. This result implied that PT. Senwell tent to be high.

Based on the test of the product moment, there was a calculated F value of 8.357 and F table of 3.96. If F count were bigger than F table, the hypothesis would have been accepted. There was a significant relationship between WLB and employee engagement with a number

of significance values of 0.006. Significant relationships were characterized by a significance value smaller than 0.05. In the t test, the number 2,891 and t table were 1,989. If t count were bigger than t table, the hypothesis would have been accepted. From the above test, it could be seen that there was an influence between WLB and employee engagement.

Coefficient of correlation or R value based on the table was 0.378. It indicated that there was positive relation between WLB toward employee engagement. The higher WLB, the higher employee engagement level was. Meanwhile, the coefficient of determination or R Square value implied that WLB's variable provided 14.3% impact toward employee engagement's variable. In addition, the remnant in value 85.7% was affected by the factor or variable which was unavailable in this study.

Discussion

This study has found a positive correlation between WLB variables and employee engagement variables with R Square values of 0.143 or 14.3%. The results also discovers F value of 8.357 and F table of 3.96. Therefore, the hypothesis is accepted.

Employee engagement for employees can be influenced by WLB. The acceptance of the hypothesis in this study explains that WLB is one of the factors that can affect employee engagement. The higher the employee WLB, the higher the level of employee engagement is.

Important factors for WLB of millennial generations are salaries, recognition of individuals, flexible work schedules, and career advancement (Huybers, 2011). WLB itself can be interpreted as an individual effort in balancing between personal life and work life. In a sense, WLB can fulfil several factors that are important for millennial generations. The impact obtained by employees who have achieved WLB including reducing absenteeism, working more effectively, reducing tuning, and increasing employee retention.

In this study, WLB becomes one of factors which increases the employee engagement. According to Patricia (2017) and Oludayo et al (2015), when the employees get the chance to manage their personal life, positively they will increase their employee engagement productivity. Moreover, a study done by Sheppard (2016) explains that the employees become more satisfied and actively obligated when they officially get social support from the company.

Blau and Slack, Corlett & Morris (2014) explain that social exchange theory can be found where employees show certain attitudes when the company takes care and gives chance for the employees. On the other hand, the employees who get beneficial treatments tend to respond with the result of beneficial outcomes for them (Eisenberger, Stinglhamber, Vandenberghe, Sucharski & Rhaodes, 2002).

According to Sheppard (2016), any organization that wants to exploit the potential and to achieve employee

engagement needs to see what the organization proper must do. In addition, the level of attrition will be reduced and the organization can concentrate on improving the ability of employees which can have an impact on organizational performance. The company or organization certainly wants to maximize the outcome. Henceforth, the high productivity is needed. Organizational productivity is determined by the work and attachment of work by employees. Employee engagement can help organizations with the purpose of employees are able to work better beyond the proposed standard.

In short, the result shows that there is a relation between WLB with employee engagement which contributes 14.3%. It means that there is nearby 86.7% factor affects the level of employee engagement. Lastly, there are several factors which increase the employee engagement, such as senior's behaviour, challenges, partner relation, etc.

Conclusion & Implication

This study concludes that there is an acceptable hypothesis. It means, WLB is one of factors which affects employee engagement on millennial generation. The majority of PT. Senwell Indonesia employees have higher tendency level of WLB and it affects the level of employee engagement. For company, it is expected that this study will able to give information the impacts of WLB toward employee engagement in order to pay attention to the prosperity between personal life and work life for employees. There are some aspects that can be done from company in increasing WLB, such as taking care the structural consistency, creating the conducive work atmosphere, giving leisure time and providing a training or upgrading the employees' abilities. For the next researchers, it is highly suggested that another factors in increasing the employee engagement between emotional intelligence, harassment, and burnout can be examined.

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