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The Role of Psychological Capital, Quality of Work Life, and Perceived Job Opportunity on Turnover Intention in Millennials (Study on PT. X Business Unit)

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Abstract—Millennials are well-known as a job-hopping generation. The process of quitting the job starts with a turnover intention. An employee's intention to quit is affected by factors from within the individual, organization, and external environment. Therefore, this study aims to examine the role of psychological capital, quality of work life, and perceived job opportunity on turnover intention in Millennials at PT. X's business unit. This research is conducted by applying quantitative methods and participants involved are 73 millennial employees at PT X's business unit. According to the result of multiple linear regression analysis, it is shown that psychological capital, quality of work life, and perceived job opportunity contributes 38,5% toward turnover intention. Partially, it is found that psychological capital does not have a significant role toward turnover intention.

Keywords: psychological capital, quality of work life, perceived job opportunity, turnover intention

I. INTRODUCTION

Millennials are taking over the workplace, by the year 2020, they could make up nearly half of the workplace [1]. But, millennials are also known as a job-hopping generation. Survey shown that millennials tends to move from one company to another within 2 years [2] [3]. Employees turnover it-self give impact to companies, such as financial cost for recruiting and train new employee, delay in operational, and other negative impact [4]. Before quitting the job, the process starts and could be predicted with turnover intention [5].

Therefore, it is important to identify the contributing factors of turnover intention in order to find out the reasons for employees to leave the companies [6].

So many research conducted to find out the reasons and factors of turnover intention. Mobley, Griffeth, Hand, and Meglione [4] says that one of the factor that contribute to turnover intention is individual factor. Previous research shown that psychological capital have significant correlation with turnover intention [7] The research conclude that if employees have a higher psychological capital, they will have lower turnover intention.

Mobley et al. [4] also says the other factor that contribute to turnover intention is organizational factor. How employees feels or perceived about their working environment become important because it is where employees spend most of their time and also known as quality of work life [8]. Quality of work life could be define as a relationship between employees and the total working environment [9]. So many research conducted and found that quality of work life have a negative and significant role to turnover intention [6] [8] [10] [11] [12]. But, there are still vary in which dimension of psychological capital and quality of work life that have a larger impact on turnover intention.

Besides internal and organizational factors, employee's interest in external condition such as how they perceived job opportunity also

contribute to employees turnover intention [8]. Wheeler [8] says that employee's consideration in labour market could be one of the reason of employee leaving the company. Research done by Putri [8] and Victoria et al. [12] found that perceived job opportunity have a positive role to turnover intention.

Therefore, this study aims to find out whether there is a role of psychological capital towards turnover intention for millennial generation employees, is there a role of quality of work life towards turnover intention for millennial generation employees, is there a role of perceived job opportunity for millennial employees, and is there a role of psychological capital, quality of work life, and perceived job opportunity toward turnover intention for millennial generation employees.

II. LITERATURE REVIEW

A. Turnover Intention

Turnover intention is a cognitive consequences, including thinking about quitting and intention to looking for alternative job [5]. Mobley [5] propose a few things to define general definition of turnover that is: (1) turnover focus on employees; (2) turnover focus on termination or separation of employees with organization, and (3) general definition of turnover can be used to different type of organization and on different type of employees- organization relationship.

Mobley [5] also states that intention to quit as a dominant predictor to turnover. Turnover intention referring to employees evaluation about their relationship with companies but did not show definite act to leave the company.

Turnover intention give both negative and positive impact to company and also employees. The negative impact to company are cost for recruiting and training new employees, communication and social pattern, lack of working vigour, and delay in operational process. Besides negative impact to the company, there are also negative impact to employees. Employees loss the benefits they got from the previous company if they did not do a proper research on the new company they just move into, and could be stress out because of the transition period.

There are also positive impact to the company. Companies can terminate employees with low performance and reduce conflict within

the office. Positive impact to the employee are they could get a higher salary, challenge and opportunity on improving their career, and could work in new and better working environment if the previous company is not good enough [5].

B. Psychological Capital

Psychological capital is a positive state of individual psychological development and is characterized by having the confidence to strive to achieve success (self-efficacy), have positive attribution to success in the present and in the future (optimism), pursue the goals to be achieved, and direct the path to goals (hope), and survive to achieve success (resiliency) [13].

Psychological capital focuses on strength compared to weakness, health and life force compared to pathology. Psychological capital is above human and social capital and basically addresses as "who you are" not "what or who you know [14].

There are four dimension of psychological capital. First is self-efficacy. Self-efficacy is a person's belief in the ability to mobilize motivation, thoughts and behaviour to be able to take certain actions. Individuals who have good self-efficacy have five important characteristics, namely: (a) individuals determine high targets or goals to be achieved and personally take on difficult tasks; (b) individuals accept openly to existing challenges; (c) individuals have high motivation; (d) individuals try their best to achieve their goals; and (e) when individuals are faced with difficulties they will persist.

The next dimension is Hope. According to C. Rick Snyder, hope can be defined as a positive motivational state based on drive to success (1) agency (goal-directed energy) and (2) pathways (plan to achieve goals).

Next is optimism. Optimism is a positive individual feeling towards events that occur permanently and deeply, then, assume negative events occur due to external factor, only temporarily, and specific factors from the situation. Highly optimistic person consider positive events to occur because they have done good things in their lives. They see the causes of events occurring in individual control and strength.

The last dimension is resiliency. Resiliency is a phenomenon characterized by a pattern of positive adaptation of the difficulties or risks faced. In psychological capital, resilience

is seen as a trait that can make an individual rise again or be able to withstand difficulties, conflicts, failures and increase responsibility. The ability to bounce back involves flexibility, adaptation, adaptation, and continuous change and uncertainty that can challenge the well-being of individuals in the long term [13].

Psychological capital contributes to several aspects of work. Many studies show that self-efficacy gives a positive influence or impact on performance in the work environment (Luthans, Youssef-Morgan, & Avolio, 2015). Self-efficacy is also related to working attitude in various cultures. Moreover, self-efficacy has been proven to support by making a positive contribution if individual is under stress, fear, and challenge due to one's perception of good self-control.

Employees who have a high level of hope have an impact on the level of creativity and have many sources of ideas because they have an independent mindset. They tend to make internal attribution such as their attempts to interpret success in the work being carried out. Have a desire to grow and gain achievements. Employees with high levels of optimism will have an impact on their ability to control their desires, in other words optimism can lead someone to a self-fulfilling prophecy and can be motivated and motivated to achieve long-term goals.

Resilience plays a role in various aspects of life, especially those related to posttraumatic, adaptation, and health. Resilience was also found to be related to the performance shown at work. In addition, it can also have an impact on improving performance, job satisfaction, increasing organizational commitment, and also can increase social capital.

C. *Quality of Work Life*

Quality of work life is the level where company is able to give satisfaction to the important needs of their employees through workplace experience and satisfaction with their work. QWL can be defined as the quality of relationships between employees and their work environment. QWL is the process which organizations respond to the needs of employees to develop mechanisms to allow them to take full part in decision making that governs life in work [9].

Gani [9] said that the important point of

the QWL concept is the value of treating employees as human beings. The quality of work life leads to employee satisfaction with their work life. QWL is a multidimensional concept and includes employees' feelings about various dimensions of their work including job content, work environment, salary and reward systems, training and career development opportunities, participation in decision making, health and safety, work stress, job security, organizational and interpersonal relationships, and the relationship between life at work and outside the workplace [15].

The quality of work life explains the relationship between the individual and his perception of life related to his work environment [6]. QWL leads to the subjective satisfaction of individuals with their working lives, based on feelings and personal perceptions [11].

Richard & Walton [9] stated that there are 8 dimensions of QWL, namely: (1) adequate and fair compensation; (2) safe and healthy working condition; (3) immediate opportunity to use and develop human capacities; (4) future opportunity for continued growth and security; (5) social integration in the work organization; (6) in the work organization constitutionalism; (7) work and the total life space; and (8) the social relevance of work life. There are also 10 dimensions of the QWL developed by Rostiana, Zamralita, & Suyasa adapted from Walton's 8 dimension of QWL, that are job characteristic, social relevance of employers, co-workers, pay and benefits, personal development, work life balance, promotion, working conditions, supervisory, and work culture.

Job characteristic refers to the conditions felt by employees for the feedback they receive, freedom and flexibility in work, clarity of duties and responsibilities and the opportunity to take advantage of work expertise [8] [10].

Social relevance of employers is characterized by a guarantee of freedom of opinion and the application of social responsibility carried out by the organization [8]. In addition, it also looks at how organizations behave towards the environment [10].

Co-workers are characterized by the existence of relationships or social relationships that are interwoven with coworkers. This relationship can be both interpersonal and communication that is directly intertwined [8] [10].

Pay and benefits are factors that increase employee motivation and morale depending on compensation offered [10]. Marked by conditions where employees feel the existence of financial support and facilities for health and well-being [8].

Personal development is the opportunity to develop themselves [8]. Organizational activities that aim to improve individual and group performance [10]. Work life balance refers to the existence of balanced relationships, the existence of support, opportunities and the availability of time for the family and other things outside of work [10] [8].

Promotion, namely the existence of clarity of mechanisms and opportunities for appreciation and career advancement [10] [8]. Working condition refers to the employee's reaction to the place where he or she works. Which is characterized by comfort in work because of the presence of security, health and information technology facilities [10] [8].

Supervisory refers to the communication of superiors (management) to subordinates such as the needs of employees to develop creativity, do challenging work, and master the skills to achieve goals and abilities of direct supervisors to direct employees [10] [8]. Work culture refers to organizational culture such as attributes, models, organizational contexts, structures, values, and norms and processes inside the organizational such as leadership, conflict, appreciation, communication, and control [10]. It is characterized by the implementation of good culture in the organization [8].

D. Perceived Job Opportunity

The concept of "perceived job opportunities" leads to the perception of the availability of alternative jobs in the labour market [8]. The labour market conditions affect the desire of employees to quit or leave the company [8]. Variable perceived job opportunity, are variables that cannot be controlled by the company because they are factor from outside the company or external factor. Before leaving the company, employees will consider the current conditions of their work and evaluate the employment opportunities they can get in other companies. Therefore, employees need to know the alternatives of existing jobs and labour market conditions [8].

The many alternative jobs available will

provide awareness for employees to look for other jobs, evaluate the benefits to be obtained, and if the results show that other companies provide more benefits than the current company, then employees will prefer to work in other companies [8]. Competitor competition also directly affects the movement of employees. With the global competition of labour, it can provide global choices to the workforce [8].

H1: Psychological capital, quality of work life, and perceived job opportunity has a significant role to turnover intention

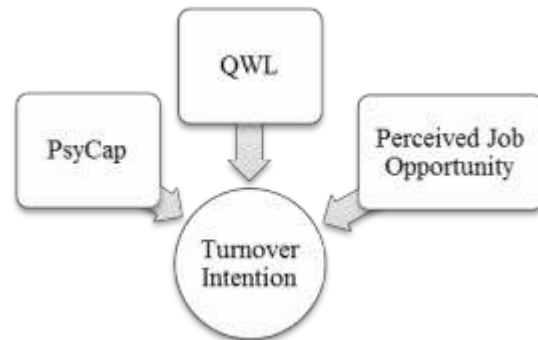


Fig 1. The proposed model of the study

III. METHODS

This research was conducted using quantitative method. The data was collected by distributing questionnaires to 73 millennials employees working at PT X's business unit in Jakarta, Indonesia. The year of birth for millennials in this study was based on Laird, Harvey, and Lancaster [16] who states that millennials was those who born form 1980 to 2000.

The questionnaires used in this study were Psychological Capital Scale 12 item that developed by Faculty of

Psychology, Universitas Tarumanagara based on Luthans's theory; Quality of Work Life Questionnaires that developed by Rostiana, Zamralita, and Suyasa based on Walton's dimension of QWL; Perceived Job Opportunity Questionnaires that made by the author of previous research Andinia Dea Putri in 2017; Turnover Intention Questionnaire developed by Faculty of Psychology, Universitas Tarumanagara

based on Mobley's theory.

The statistical analysis was carried out using SPSS Program version 23 and using linear regression and multiple linear regression to analysis the data.

IV. RESULTS AND ANALYSIS

According to the result of multiple linear regression, psychological capital, quality of work life, and perceived job opportunity simultaneously, contribute 38,5% to turnover intention. The results of multiple linear regression also shown that psychological capital did not have a significant role to turnover intention ($t = -1,709$, $p > 0,05$). This means that the employee's intention to leave is not only based on psychological capital but also based on other factors such as quality of work life and perceived job opportunity. Partially, quality of work life have a negative and significant impact toward turnover intention ($t = -2,114$, $p < 0,05$). Perceived job opportunity have a positive and significant impact toward turnover intention ($t = 5,097$, $p < 0,05$).

In this study, additional data analysis was also carried out, namely to see the role of each dimension of psychological capital towards turnover intention. The results of data analysis obtained results that only one dimension of psychological capital has a negative and significant role in the turnover intention, namely hope.

The next analysis of additional data is to see the role of each dimension of quality of work life towards work intention. Based on the results of data analysis, the results show that all dimensions of work life quality, except co-worker, play a negative and significant role in the intention to leave work..

V. CONCLUSION

Participants in this study are employees in the business unit of PT. X that is as many as 73 millennial employees. The employees involved

are employees from various divisions or departments. Based on the results of the study, it was found that employees in the business unit of PT. X has a relatively high psychological capital, and it can be said that employees have positive psychological conditions, employees in the business unit of PT. X has high hopes, optimism, resilience, and self- efficacy. Employees' perception of quality of work life in PT. X is also good or high. However, from the 10 dimensions of the quality of work life, employees in the business unit of PT. X perceives that social relevance of employer and work life balance in their working place is low. Employees in the business unit of PT. X also have a high perception of work opportunities and intention to quit.

To test the research hypotheses, researchers conducted data analysis using a simple regression method. Based on the results of data analysis, obtain results that these three variables have a significant role to turnover intention. Based on the results of multiple regression test analysis, it is known that psychological capital does not play a significant role to turnover intention. This means that employees' intention to leave is not only affected by psychological capital but also influenced by other factors such as quality of work life and perceived job opportunity.

The researcher also carried out additional data analysis to see the role of each dimension of psychological capital variables and the quality of work life to turnover intention. First, an additional data analysis is carried out to see the role of each dimension of psychological capital to turnover intention. Based on the results of the analysis, the results show that four dimensions of psychological capital, only one dimension has a significant role to turnover intention. The dimension of psychological capital which plays a significant role is hope. Other dimensions, namely self-efficacy, optimism, and resiliency do not play a significant role to turnover intention.

The second additional data analysis is to see the role of each dimension of quality of work life towards turnover intention. The results obtained show that all dimensions of quality of work life except co-worker play a negative and significant role to turnover intention, which means that the higher the quality of work life of employees, the lower the intention of employees to leave. Dimensions that have the biggest role are

social relevance of employer and work culture. Then, the dimension that has the smallest role is work life balance.

VI. DISCUSSION

Employees in the business unit of PT. X has high psychological capital. Based on the theory of Luthans et al. [13] it can be said that employees in the business unit of PT. X has a positive psychological development and is characterized by having confidence in trying to achieve success, employees in the business unit of PT. X also has positive attribution to success in the present and in the future, pursue the goals to be achieved, and direct the path to the goal, and survive to achieve success.

Employees in the business unit of PT. X perceives that the work life balance in the place where they work is quite low. This is in accordance with what was stated by Smith and Nichols that the millennial generation wants a good working life balance in their workplace.

The results of data analysis to see the role of the three research variables together on the intention to leave work, obtain results that psychology capital, quality of work life, and perceived job opportunity together contribute to the intention to leave work. However, if seen in their respective or partial roles, the results found that psychological capital does not have a significant role in the intention to leave work.

Research conducted by Abbas et al. [7] also obtained the result that psychological capital does not have a significant role in the intention to leave work. So that it can be said that, the desire of employees to leave their work place is not only influenced by psychological capital but also influenced by other factors such as quality of work life and perceived job opportunity.

The results of this study are in line with previous studies which also found that the quality of work life plays a role in intention to leave work [6] [11] [10] [18] [12], and perceptions of work opportunities play a role in the intention to leave work [8] [12]. The results of this study are also in accordance with the statements of Mobley, Griffeth, Hand, and Meglino [4] which say that the desire of employees to leave is influenced by individual, organizational, and environmental factors.

In this study, additional data analysis was

also carried out, namely to see the role of each dimension of psychological capital towards intention to leave work. The results of data analysis obtained results that only one dimension of psychological capital has a negative and significant role in the intention to leave work, namely the hope dimension. This is in line with what Abbas et al. [7] that hope describes employees with positive thinking and will survive in their workplace.

The next analysis of additional data is to see the role of each dimension of work life quality towards work intention. Based on the results of data analysis, the results show that all dimensions of the quality of work life, except co-workers, play a negative and significant role in the intention to leave work. The results of this study are similar to the results of a study conducted by Surlenty et al. [6] which obtained results that dimensions that play a negative and significant role on work-out intentions are supervisory, job characteristic, and work life balance. Research conducted by Lee et al. [11] obtained results that work life balance dimensions that have a negative and significant role. Furthermore, the research conducted by Asih [17] obtained results that the dimensions of work culture, job characteristics, social relevance of employers, working conditions, and supervisory played a negative and significant role. The research conducted by Prabowo [4] found that the supervisory, working condition, work culture, job characteristic, and promotion dimensions played a negative and significant role in out-of-work intention.

The research conducted by Victoria et al. [12] obtained results that dimensions that have a negative and significant role are dimensions of personal development, work culture, and job characteristic. And the research conducted by Putri [8] found that the dimensions of job characteristic, working conditions, work culture, supervisory, promotion, personal development, and pay and benefits play a negative and significant role in the intention to leave work.

Based on the limitations and disadvantages of this study, researchers can provide some suggestions for future researchers. Researchers suggest that further research can be carried out in different fields of work, so that they can get an idea of whether the field of work also influences or not. Further research can also use different individual factors to determine the role

of individual factors on intention to quit. These factors can be obtained through the results of the employee's exit interview at the company where researchers will later conduct research data collection. Researchers also suggest conducting interviews and observations of employees to get more accurate results. In addition, further researchers can also collect data in the millennial generation and older generations in order to obtain comparisons.

The results of this study can provide benefits to the company. Based on the results of data analysis, the factors that have a large influence on the intention to leave work are external factors. Researchers suggest that companies can improve quality in the workplace so that employees feel more comfortable and not looking for outside employment opportunities. The researcher also suggested that the company pay more attention to the quality of work life of employees, especially work life balance. The average employee perceives that between work time and family time and activities outside the work provided by the company are low or poor. So, researchers suggest that companies pay more attention to the time balance of employees working with activities outside of their work such as providing support in solving family problems, providing opportunities for employees to do hobbies outside of work, and providing opportunities to complete household affairs or tasks.

Companies can communicate with employees to ask what their employees need, what the company can improve, so that it can improve employee perceptions of the quality of life in the workplace and can reduce employees' perceptions of looking for work outside.

Suggestions that researchers can give to employees, namely researchers suggest to employees to more actively communicate with the company or to the human resource section to provide suggestions that might later be able to improve the quality of work life of employees in the office. Employees can also submit ideas or input that can help the company to improve the quality of work life of employees.

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