

Psychological Well-Being and Organizational Commitment with Turnover Intention Among Generation Z Employees

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ABSTRACT

This study aims to examine the relationship between psychological well-being and organizational commitment with turnover intention among Generation Z employees. Generation Z refers to individuals born between 1995 and 2010, characterized by unique traits in the workplace, including a high tendency for turnover intention. This research employs a correlational quantitative approach involving 350 Generation Z employees as participants. Data were collected using three scales: the psychological well-being scale, organizational commitment scale, and turnover intention scale. The results indicate a significant relationship between psychological well-being and organizational commitment with turnover intention ($R = 0.839$, $p < 0.01$), with an effective contribution of 70.4%. Partially, psychological well-being has a significant negative relationship with turnover intention ($t = -3.606$, $p < 0.05$), as does organizational commitment ($t = -5.079$, $p < 0.05$). This finding demonstrates that higher levels of psychological well-being and organizational commitment are associated with lower turnover intention among employees. These results provide important contributions to human resource management, particularly in fostering the well-being and commitment of Generation Z employees to reduce turnover intention levels.

Keywords: *Psychological Well-Being, Organizational Commitment, Turnover Intention, Generation Z*

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INTRODUCTION

Human resources play a crucial role in a company. They contribute to the company's progress, success, and achievements. Effective management of human resources ensures that employees feel comfortable and engaged with the company. This highlights that employees are a key element in determining the company's success in achieving optimal performance. As human resources, employees serve as a vital component of the company, acting as the main driver in achieving the established vision and mission (Wicaksono, 2020).

The youngest generation in today's workforce is Generation Z. Generation Z consists of individuals born between 1995 and 2010, a period marked by rapid technological advancements (Bencsik, Csikos, & Juhez, 2016). However, a prevailing issue in the

workplace today is the tendency of Generation Z employees to have a higher intention to leave their jobs (turnover intention) due to a lack of commitment (Andrea, Gabriella, & Timea, 2016). According to a 2024 survey on Generation Z workers, 69% of employees plan to resign (Jakpat, 2024). The main reasons include dissatisfaction with salary (41%), receiving better job offers (27%), and wanting to explore other career opportunities (26%) (Jakpat, 2024). LinkedIn data also indicates that Generation Z changes jobs at a rate 134% higher than in 2019. Additionally, 25% of Generation Z employees expect or plan to leave their employers within the next six months, compared to 23% of Millennials and 18% of Generation X.

The phenomenon of turnover among Generation Z in Indonesia has become a significant challenge for various industrial sectors. This generation exhibits a higher tendency to switch jobs compared to previous generations. They have high expectations regarding job flexibility, career development, and an innovative work environment. When these expectations are not met, they are more likely to seek new job opportunities (Cita Konsultindo Journal, 2021). Turnover intention, or the desire to leave a job, has become a critical issue, particularly for Generation Z. Turnover intention refers to an employee's conscious intention to resign and seek employment elsewhere (Abdillah, 2012). Employee turnover begins with turnover intention, which reflects an employee's desire to leave their job.

Several factors influence turnover intention. Research by Amalia (2020), Putu Soni Pariascana & Ni Luh De Erik Trisnawati (2022), and Harahap (2023) reveals that the higher the organizational commitment, the lower the turnover intention. Organizational commitment is an attitude that reflects the psychological attachment between an individual and an organization and indicates the relative strength of an employee's psychological identification and involvement with the organization (Mowday in Meiyanto & Santhoso, 1999). Employees with high organizational commitment tend to be more enthusiastic about their work, less likely to complain, and experience greater happiness and job satisfaction, which benefits their physical and psychological well-being. This psychological dynamic plays a crucial role in creating a strong emotional bond between employees and the organization, ultimately contributing to organizational stability. Employees with high organizational commitment tend to exceed performance expectations.

The second factor influencing turnover intention is psychological well-being. Studies conducted by Wijaya (2024), Amin & Akbar (2013), and Ananda & Pane (2017) indicate that psychological well-being negatively affects turnover intention. In other words, the higher the psychological well-being, the lower the turnover intention. Psychological well-being refers to an individual's psychological state, which is assessed based on how they find meaning in life, explore and utilize their potential, and strive to become a fully functioning person (Ryff, 1989). Psychological well-being consists of various dimensions that explain how individuals positively function psychologically. Achieving success in fulfilling tasks and responsibilities is closely linked to an individual's well-being within the organization. Employees with good well-being are associated with positive organizational

outcomes, such as increased performance, job satisfaction, work engagement, higher profitability, and reduced employee turnover.

Therefore, the psychological dynamics encompassing organizational commitment and psychological well-being are crucial in ensuring that employees can fulfill their roles in alignment with organizational goals. Based on the above discussion, the researcher recognizes that the issue of turnover intention among Generation Z can disrupt the smooth operation of a company. Hence, this study aims to examine the relationship between Psychological Well-Being, Organizational Commitment, and Turnover Intention among Generation Z.

METHOD

The population in this study consists of Generation Z individuals who are currently employed. To determine the sample size for an unlimited population, the researcher refers to the Isaac and Michael formula as stated by Sugiyono (2017). According to this formula, a 1% margin of error requires 664 samples, a 5% margin of error requires 349 samples, and a 10% margin of error requires 272 samples. The researcher selected a 5% margin of error, as a lower margin of error increases accuracy and significance. This study employs simple random sampling, a technique that gives each member of the population an equal chance of being selected as part of the sample, with selection carried out randomly without considering strata within the population (Sugiyono, 2017). The researcher successfully gathered 350 participants, all of whom are Generation Z employees. This study adopts a quantitative correlational research design, which aims to determine the extent to which one variable is related to another (Sugiyono, 2017). The purpose of this study is to examine the relationship between psychological well-being and organizational commitment as independent variables, and turnover intention as the dependent variable. The data collection method involves three measurement scales, namely the Psychological Well-Being Scale, Organizational Commitment Scale, and Turnover Intention Scale, all of which are structured using a Likert scale. According to Sugiyono (2017), the Likert scale is used to measure individuals' attitudes, perceptions, and opinions related to the research subject. The statements in the questionnaire provide four modified Likert scale response options: Strongly Agree (SS), Agree (S), Disagree (TS), and Strongly Disagree (STS)

FINDING AND DISCUSSION

The results of the first hypothesis test (H1) indicate that the combination of Psychological Well-Being and organizational commitment affects turnover intention among Generation Z employees. Based on the simultaneous multiple regression analysis, the obtained R score is 0.839, with a significance value of 0.000 ($p < 0.01$). This means there is a significant relationship between Psychological Well-Being (X1) and organizational commitment (X2) with turnover intention (Y), thereby accepting the first hypothesis. The effective contribution of this study is 0.704, indicating that Psychological Well-Being and organizational commitment influence 70.4% of turnover intention, while the remaining 29.6% is influenced by other variables.

Table Simultaneous Regression Analysis Results

R	R Square	Sig.	Description
0.839	0.704	0.000	Significant

This finding aligns with the study by Pariascana & Trisnawati (2022) in their research titled The Effect of Organizational Commitment and Psychological Well-Being on Employee Turnover Intention at Alfamart in Sawan District. Their study found that work experience significantly impacts employee turnover intention. The simultaneous relationship between Psychological Well-Being and organizational commitment in reducing turnover intention suggests that these two variables complement each other in lowering employees' intention to leave.

The results of the second hypothesis test (H2) indicate a negative relationship between Psychological Well-Being and turnover intention among Generation Z employees. This means that the higher an employee's Psychological Well-Being, the lower their turnover intention. The partial correlation test between Psychological Well-Being and turnover intention yielded a t-score of -3.606 with a significance value of 0.000 ($p < 0.05$), confirming that the second hypothesis is accepted.

Table Partial Analysis Test Results

Model	t-score	Sig.	Description
Psychological Well-Being	-3.606	0.000	Significant

This result aligns with the study by Wijaya (2024) in his research titled The Influence of Psychological Well-Being, Work-Life Balance, and Competence on Turnover Intention at PT BPR BKK Muntilan. The study found that Psychological Well-Being negatively affects turnover intention, while work-life balance and competence do not significantly affect turnover intention. However, when combined, these factors simultaneously influence turnover intention. This suggests that employees with high Psychological Well-Being—who feel self-satisfaction, have positive social relationships, and find meaning in their lives—tend to be more engaged with their jobs and have a lower intention to leave the organization. These dynamics indicate that Psychological Well-Being not only affects an employee's personal well-being but also influences their strategic career decisions.

The third hypothesis test (H3) found that organizational commitment has a significant relationship with turnover intention among Generation Z employees. The partial correlation test between organizational commitment and turnover intention resulted in a t-score of -5.079 with a significance value of 0.000 ($p < 0.05$). This confirms that the third hypothesis is accepted, showing a negative relationship between organizational commitment and turnover intention.

Table Partial Analysis Test Results

Model	t-score	Sig.	Description
Organizational Commitment	-5.079	0.000	Significant

These results are in line with research conducted by Harahap (2023) in his study titled The Relationship Between Organizational Commitment and Turnover Intention Among Employees of UD. Union Furniture Medan. The study found a negative correlation between organizational commitment and turnover intention. Employees with higher organizational commitment tend to have lower turnover intention, whereas employees with lower organizational commitment tend to have higher turnover intention.

The significant negative relationship between organizational commitment and turnover intention suggests that the stronger an employee's emotional attachment, moral responsibility, and sense of loss if they leave, the less likely they are to leave the organization. These dynamics highlight the importance of organizational strategies in strengthening employees' sense of belonging, particularly for Generation Z, who prefer work environments that align with their personal values.

The effective contribution of this study, represented by R Square = 0.704, confirms that Psychological Well-Being and organizational commitment together account for 70.4% of turnover intention, while the remaining 29.6% is influenced by other factors.

DISCUSSION

Turnover intention refers to an employee's intention to leave their organization, which can negatively impact a company by causing talent loss, team instability, decreased productivity, and increased recruitment and training costs. High turnover intention can also create a less conducive work environment for remaining employees, leading to burnout, decreased motivation, and reduced loyalty to the company. Conversely, low turnover intention contributes to workforce stability, operational efficiency, and job satisfaction, fostering a more productive and supportive work environment.

Gen Z, who are now dominating the workforce, have unique characteristics that influence their turnover intention. This generation highly values work-life balance, organizational culture, and psychological well-being. Therefore, understanding the factors contributing to turnover intention among Gen Z employees is crucial for organizations. Two key factors influencing turnover intention are psychological well-being and organizational commitment. Psychological well-being reflects employees' mental and emotional well-being, including self-satisfaction, positive social relationships, and a sense of meaning in their work. Meanwhile, organizational commitment refers to the extent to which employees feel attached to their company, whether emotionally, morally, or based on long-term benefits.

The research findings indicate that psychological well-being and organizational commitment significantly influence turnover intention among Gen Z employees. These results align with the study by Pariascana & Trisnawati (2022), which found that work

experience and psychological well-being impact turnover intention. Employees with high psychological well-being tend to have greater job satisfaction and are less likely to consider leaving their organization. Moreover, good psychological well-being enhances emotional attachment to work, further reducing the intention to leave.

In addition to psychological well-being, organizational commitment plays a crucial role in turnover intention. The study found a negative relationship between organizational commitment and turnover intention, meaning that the higher an employee's commitment to the organization, the lower their desire to leave. This finding supports Harahap's (2023) study, which concluded that strong organizational commitment increases employee loyalty and reduces turnover intention. Organizational commitment can take the form of emotional attachment (affective commitment), a sense of moral responsibility (normative commitment), and consideration of potential losses if leaving the organization (continuance commitment).

Further data analysis revealed that employees' psychological well-being in this study was below theoretical expectations, although their level of organizational commitment was relatively high. Meanwhile, the recorded turnover intention was lower than the theoretical average, indicating that, in general, employees had a low tendency to leave. Overall, psychological well-being and organizational commitment accounted for 70.4% of turnover intention, while the remaining 29.6% was influenced by other factors not examined in this study.

By understanding the relationship between psychological well-being, organizational commitment, and turnover intention, organizations can develop more effective strategies to improve employee well-being and strengthen their attachment to the workplace. Efforts such as creating a work environment that supports psychological well-being, reinforcing a positive corporate culture, and implementing employee engagement programs can help reduce turnover intention. Thus, organizations can foster a more stable, productive, and sustainable work environment, especially for Gen Z employees, who have high expectations for work-life balance.

CONCLUSION

This study reveals a significant relationship between Psychological Well-Being, Organizational Commitment, and Turnover Intention among Generation Z employees aged 19–28 years. A total of 350 participants were collected as respondents. The research employed a quantitative correlational method. The findings indicate that Psychological Well-Being has a significant negative relationship with Turnover Intention. Similarly, Organizational Commitment also shows a significant negative relationship with Turnover Intention. These results suggest that psychological well-being provides a stable emotional foundation, while organizational commitment strengthens employees' attachment to the company. Generation Z, known for having high expectations for work-life balance and meaningful work experiences, demands a management approach that supports psychological well-being while reinforcing emotional attachment to the organization.

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