What is the connection between Gen Y employees' loyalty, satisfaction, and workplace spirituality?

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Abstract

Maintaining and enhancing employee loyalty and satisfaction has always been a top priority for management in every firm. This study investigates the relationship between workplace spirituality, loyalty, and Generation Y employees at private organizations in Indonesia. A quantitative approach with descriptive and verification analysis techniques is used to see the picture and examine the relationship between variables. Data and information were obtained from a sample of 132 Generation Y employees at ten private universities in Garut by distributing questionnaires and surveys. Data analysis used SPSS version 24.0 software. The results showed that each variable has a reasonably high criterion. Employee loyalty is significantly influenced by workplace spirituality and job satisfaction. The results demonstrate that workers who uphold spiritual principles are more likely to desire to remain with the company. The theoretical contribution of this study is that Generation Y employee loyalty can be increased by increasing job satisfaction and workplace spirituality. The growth of spiritual values needs to be supported by creating a spiritual work environment, providing fair remuneration is expected to foster loyal attitudes and behavior of employees. Research is limited to Y-generation and objects in private tertiary institutions in the Garut Regency.

Keywords: loyalty, satisfaction, workplace spirituality, Generation-Y.

Introduction

Businesses must take the appropriate actions to improve employee loyalty and job satisfaction because companies are always encouraged to identify the issues that hinder individual and organizational performance (Aboobaker et al., 2020; Dhir et al., 2020). Developing the discussion of work attitudes and behavior leads to the formation of workplace spirituality. Since the 1990s, studies have been conducted on the value of employee spirituality in both for-profit and nonprofit enterprises. Likewise, in books that discuss organizational behavior and culture (McShane & Von Glinow, 2018; Robbins & Judge, 2017), because employee work attitudes and organizational culture affect work behavior (Fanggidae et al., 2016; Javanmard et al., 2014; Nurhasan, 2017). Many researchers agree that the discussion refers to the same concept, namely...
because employees are spiritual beings who need meaning when working, to welcome them, organizations must support this spiritual growth (Dandona, 2017; Dudley, 2016; Foster & Foster, 2019; Moll, 2020).

This research is necessary because some more spiritual companies can outperform other companies (Jurkiewicz & Giacalone, 2004). Businesses that place a high priority on spiritual nurturing, such as helping employees find purpose in their jobs and feeling inspired at work, frequently experience an increase in staff retention, which has a significant influence on profitability (Q. Iqbal et al., 2019; Joelle & Coelho, 2019; Rahman et al., 2019).

Although many studies have analyzed the loyalty and job satisfaction of employees in an organization, there is still limited research on this concerning the values of workplace spirituality in generation-Y employees, especially in the private higher education sector. The constraints of the Y-generation idea, specifically the generation born between 1980 and 2003, are applied based on viewpoint and the year of birth (Hurst & Good, 2009). It is assumed that they are at the career development stage right now. The results of the identification of researchers found the problem of more than 2 percent of Y-generation employees who turn over after working for two years or more. This indicates that the level of employee loyalty is still low. Because of this, researchers attempted to examine job satisfaction and workplace spirituality as modifying factors.

Workplace spirituality is defined as the condition of employees who feel the meaningfulness of their work built because of connectedness as a community within the organization (Robbins & Judge, 2016), a feeling of transcendence (Petchsawang & Duchon, 2012). Various previous studies have shown that there are various definitions of WS. However, some researchers agree that the five dimensions that often appear to measure WS, Connection, empathy, mindfulness, purposeful work, and transcendence are among them (Petchsawang & Duchon, 2012).

Job satisfaction is a condition of positive feelings resulting from individual evaluations of various job characteristics (Robbins & Judge, 2016), making the job important for employees, and is an indicator of employee effectiveness (Luthans & Doh, 2014). JS can affect employee performance (Nasir et al., 2020; Harahap et al., 2020). JS can appear when employees assess matters related to their work activities to produce positive feelings. Essential characteristics of the employee's work can arise from various aspects, such as 1) work itself, that is, when work is perceived as suitable that is, and challenging, triggers learning and a sense of responsibility; 2) Pay, which is many rewards from the company that employees receive as contributions from work, which can meet expectations, following applicable skills and minimum wage standards, 3) Promotion opportunities, is an opportunity to develop a career to improve social status, 4) Supervision, namely the role of leadership behavior towards employee work, and 5) coworkers, are a work team unit that exists in the organization when the employee is working (Luthans, 2009; Robbins & Judge, 2016).

Employee loyalty is a psychological condition of employees showing attitudes and behavior to remain in an organization (Turkyilmaz et al., 2011). Loyalty is a loyalty attitude conveying one's commitment to the company. (Dhir et al., 2020). EL is indicated by 1) Believing in and accepting organizational goals, 2) attempting to aid the organization's development, and 3) wishing to stay with
the company (Pandey & Rajni, 2012). When the organization congruently stimulates employees' values of responsibility, Employee loyalty to the company is more likely (Aboobaker et al., 2020). Employees with a high level of loyalty will be motivated to work more than necessary, proud of the firm and willing to spread the word about it, open to accepting and completing varied duties, and interested in the company's overall growth (Jahanbazi Goujani et al., 2019).

Figure 1. Theoretical framework

The hypothesis proposed in the study is:

$H_1$: Workplace Spirituality has a significant effect on Employee Loyalty
$H_2$: Workplace Spirituality has a significant effect on Job Satisfaction
$H_3$: Job Satisfaction has a significant effect on Employee Loyalty
$H_4$: Job Satisfaction mediates the influence of Workplace Spirituality on Employee Loyalty

Research Methods

Census is used as a sampling technique in this study. Respondents were 132 Y-generation employees taken from 8 universities in Garut Regency. The characteristics of the respondents consisted of 66% having a bachelor's degree, 64% being men, and 60% being married employees, and most of them had worked for more than two years. Respondents responded to the questionnaire with 32 items graded based on a 5-point Likert scale, ranging from strongly disagree to agree strongly.

Questionnaires were distributed directly to Generation Y employees at private universities in Garut Regency. Using an alpha coefficient of 0.05, work spirituality is measured using five indicators, namely: 1) meaningful work, 2) Connection, 3) Compassion, 4) Mindfulness, and 5) Transcendence, obtained a measurement reliability value of 0.881. Job Satisfaction is measured by five indicators of individual satisfaction, namely: 1) Work itself, 2) Compensation, 3) Career opportunity, 4) Supervision, and 5) coworkers, which were adopted and modified from (Berson & Linton, 2005; Luthans, 2009; Robbins & Judge, 2017b), for this measurement an internal reliability of 0.909 was obtained. Employee Loyalty is measured by 1) Believing in and accepting organizational goals, 2) attempting to aid the organization's development, and 3) wishing to stay with the company. The internal consistency reliability calculated for this measure is 0.901.

Path analysis is a statistical technique for assessing the relationship between variables. A test will be run to see if job satisfaction mediates the impact
of workplace spirituality on employee loyalty. Calculation aids use statistical software.

**Result and Discussions**

Based on the data presented in Table 1, it can be seen that most of the respondents were male, with more than two years of service, undergraduate education level, and marital status. This means that most respondents are aligned with the variables to be analyzed regarding job satisfaction and loyalty. Furthermore, to ascertain the degree of spirituality, job happiness, and loyalty among Generation Y employees, the researchers conducted descriptive analyses of each variable using an index score and assessment criteria.

Table 2 shows the assessment criteria for each variable. The first description, namely: As evidenced by their sense of community connection, employees from Generation Y tend to have higher levels of spirituality at work and feelings of compassion and purpose in their employment. However, the level of spirituality regarding awareness at work and a sense of transcendence is still not good.

**Table 1. Characteristics of Respondents (n=132)**

<table>
<thead>
<tr>
<th>Sociodemographic Description</th>
<th>Frequency (person)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Man</td>
<td>85</td>
<td>64</td>
</tr>
<tr>
<td>Women</td>
<td>47</td>
<td>36</td>
</tr>
<tr>
<td>Length of work (year)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt; 2</td>
<td>21</td>
<td>16</td>
</tr>
<tr>
<td>2 – 5</td>
<td>38</td>
<td>29</td>
</tr>
<tr>
<td>5 – 10</td>
<td>49</td>
<td>37</td>
</tr>
<tr>
<td>&gt;10</td>
<td>24</td>
<td>18</td>
</tr>
<tr>
<td>Level of education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SLTA</td>
<td>44</td>
<td>33</td>
</tr>
<tr>
<td>Bachelor</td>
<td>67</td>
<td>51</td>
</tr>
<tr>
<td>postgraduate</td>
<td>21</td>
<td>16</td>
</tr>
<tr>
<td>Marital Status</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Married</td>
<td>79</td>
<td>60</td>
</tr>
<tr>
<td>Not Married</td>
<td>53</td>
<td>40</td>
</tr>
</tbody>
</table>

**Table 2. Variable Description**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Indicator</th>
<th>Index Score</th>
<th>Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workplace Spirituality</td>
<td>Connection</td>
<td>3.80</td>
<td>Good</td>
</tr>
<tr>
<td></td>
<td>Compassion</td>
<td>3.97</td>
<td>Good</td>
</tr>
<tr>
<td></td>
<td>Mindfulness</td>
<td>3.04</td>
<td>Not good</td>
</tr>
<tr>
<td></td>
<td>Meaningful work</td>
<td>3.73</td>
<td>Good</td>
</tr>
<tr>
<td></td>
<td>Transcendence</td>
<td>3.39</td>
<td>Not good</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>Work it Self</td>
<td>3.54</td>
<td>Good</td>
</tr>
<tr>
<td></td>
<td>Pay</td>
<td>3.41</td>
<td>Good</td>
</tr>
<tr>
<td></td>
<td>Promotion Opportunity</td>
<td>3.34</td>
<td>Not good</td>
</tr>
<tr>
<td></td>
<td>Supervision</td>
<td>3.65</td>
<td>Good</td>
</tr>
<tr>
<td></td>
<td>Coworker</td>
<td>3.83</td>
<td>Good</td>
</tr>
<tr>
<td>Employee Loyalty</td>
<td>Belief in and acceptance of organizational goals</td>
<td>3.91</td>
<td>Good</td>
</tr>
<tr>
<td></td>
<td>Willing to advance the organization</td>
<td>3.74</td>
<td>Good</td>
</tr>
<tr>
<td></td>
<td>Desire to remain part of the organization</td>
<td>3.84</td>
<td>Good</td>
</tr>
</tbody>
</table>

In general, Y-generation employee job satisfaction is good, which is
indicated by satisfaction with their work, the rewards received perceived supervision, and coworkers. However, for promotion opportunities, they feel they are still not good.

With their acceptance of organizational goals, eagerness to contribute to its advancement, and desire to stay with the company, members of the Y generation have demonstrated strong employee loyalty.

Furthermore, researchers used verification analysis with path analysis statistical tools to determine the relationship between the variables analyzed. Based on the processing results, the output is presented in Table 3. Table 3 displays the worth of sig = .000 greater than alpha .005, meaning that Workplace Spirituality significantly affects Job Satisfaction. The size of the impact is 0.529, so the results of the analysis H1 are accepted.

### Table 3. Coefficient path analysis Workplace Spirituality on Job Satisfaction

<table>
<thead>
<tr>
<th>Model</th>
<th>Standardized Coefficients</th>
<th>Unstandardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>26.428</td>
<td>6.134</td>
<td>4.308</td>
<td>.000</td>
</tr>
<tr>
<td>WS</td>
<td>.531</td>
<td>.076</td>
<td>.259</td>
<td>7.107</td>
</tr>
</tbody>
</table>

Dependent Variable: JS

### Table 4. Coefficient path analysis WS and JS on EL

<table>
<thead>
<tr>
<th>Model</th>
<th>Standardized Coefficients</th>
<th>Unstandardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>42.436</td>
<td>6.961</td>
<td>6.098</td>
<td>.000</td>
</tr>
<tr>
<td>WS</td>
<td>.306</td>
<td>.93</td>
<td>.259</td>
<td>3.273</td>
</tr>
<tr>
<td>JS</td>
<td>.283</td>
<td>.93</td>
<td>.273</td>
<td>3.027</td>
</tr>
</tbody>
</table>

Dependent Variable: EL

Table 4 shows the output of the direct effect of Workplace Spirituality on Employee Loyalty with a value of sig = 001 <from alpha 0.05. Employee loyalty is significantly influenced by workplace spirituality. The effect size is 25.9%, and then H2 is accepted. The impact of Job Satisfaction on Employee Loyalty is indicated by sig = 003 greater than alpha 0.05 with a magnitude of 27.3%, meaning that there is a direct effect of Job Satisfaction on Employee Loyalty, then H3 is accepted. The indirect impact of Workplace Spirituality on Employee Loyalty through Job Satisfaction was 0.259*0.273=0.07, making the overall effect 0.259+0.07=0.329. It can be claimed that Job Satisfaction does not mediate between Workplace Spirituality and Employee Loyalty because the direct effect's magnitude exceeds that of the indirect effect. Thus, the hypothesis is rejected.

According to the statistical analysis's findings, workplace Spirituality positively and considerably impacts Employee Loyalty. This means that increased Y-generation employee loyalty can occur with increased workplace spirituality. The findings of this study support those of other studies, which indicated that employees who feel a sense of community and involvement achieve long-term goals with their firms (Aboobaker et al., 2020). Work spirituality also helps professionals develop a more integrated view of family, company, society, neighbours, and oneself (Mukherjee, 2018). Someone who has a high
level of spirituality has an attitude regarding their lives more positively and confidently and does not blame others, so in dealing with their work situation, they calm down and can see the positive sides of their work so they are more satisfied (Herminingsih, 2012; Mengko & Sambeka, 2018).

Workplace Spirituality favors and significantly impacts staff members’ commitment to the company (Sani & Maharani Ekowati, 2020), including generation-Y employees (Aboobaker et al., 2020). According to the study, employees feel more responsible and confident about sticking to their company when they think their work has value. Even though this Y-generation does not show full awareness and transcendence is also not believed in, they still show loyalty to the organization. This is possible because one of the characteristics of Generation Y is high self-confidence, collaboration, and high social awareness (Grossman, 2006; Martin, 2005). According to this study, it is the role of organizational leaders to foster spirituality at work, especially in the service sector, which is more concerned with benefits than profit. Special care must be taken to create such conditions among Generation Y employees.

Employees who feel that work is a meaningful and meaningful part of life will have a pool of positive feelings toward the job. Meaningful work is considered to have work value (Sony & Mekoth, 2019), and previous research found a positive relationship between work value and job satisfaction (Eilyana & Sridadi, 2020). This lesson continues academic studies by specifically suggesting the importance of the meaning of the work dimension of employee spirituality on job satisfaction. Mindfulness is about the employee's mind being present, not wandering with the past, thinking about the future, or other distractions—full care results in psychological well-being, resulting in positive feelings towards work. Experimental research also concludes a positive relationship between attention and job satisfaction (Fanggidae et al., 2016).

Job characteristics as a form of Job Satisfaction affect Employee Loyalty, meaning that when employees feel satisfied with their work, one of them is compensation or incentives to maintain and enhance staff performance to carry out their work appropriately. (Riwukore et al., 2021), Fair remuneration can stimulate employees’ feelings of pleasure (Nurhasan et al., 2021) when the job can improve the welfare of their family, employees will feel satisfied (Puspitawati & Atmaja, 2020), the existence of supervisory support makes them loyal (Dhir et al., 2020). Work will be completed voluntarily without supervision because they already feel part of the company (Mohyi, 2021). Employee loyalty to the company will increase if they are happy. (Putra et al., 2019).

Job Satisfaction was not found to mediate the effect of Workplace Spirituality on Employee Loyalty in this study, meaning that the level of satisfaction of Y-generation employees could not increase or decrease spiritual values on loyalty. Employees can feel at home by enhancing their connection to work, coworkers, and the company. (Aboobaker et al., 2020).

Conclusion
This study concluded that workplace spirituality and job satisfaction are crucial elements organizations must maintain to ensure loyalty among Generation Y employees. The research findings indicate a significant influence of workplace spirituality and job satisfaction on employee loyalty. Those who
adhere to spiritual principles are more inclined to remain committed to the company. The theoretical contribution of this study highlights that the loyalty of Generation Y employees can be heightened by enhancing job satisfaction and fostering workplace spirituality. The growth of spiritual values should be supported by creating a work environment conducive to spirituality, and providing fair compensation is expected to nurture employees’ loyal attitudes and behaviours. This research is confined to Generation Y employees in private tertiary institutions in Garut.

Organizations should undertake various initiatives to preserve and enhance these critical elements as a follow-up. One approach is cultivating a sense of community that deepens the connection between staff members and the employer. Additionally, ensuring fair and expected remuneration and offering flexible work arrangements constitutes a form of job satisfaction that requires serious attention from the organization. Thus, maintaining a balance between workplace spirituality, job satisfaction, and employee loyalty can be an effective strategy for organizations seeking to uphold and strengthen positive relationships with Generation Y employees.

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