

The Influence of the Work Environment on the Loyalty of Millennial Employees

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Abstract—The purpose of this research is to find out the influence of work environment on the performance of millennial employees in one of the Republic of Indonesia's state ministry offices. Methods of this research is quantitative with a hypothetical testing using SPSS. The population and study sample are all employees who working in companies with minimum one-year work tenure that fall into the millennial age category according to Howe and Strauss (2000). Data was collected using a questionnaire that was built based on the concept of work environment according to Sedarmayanti (2011) and employee loyalty according to Saydam (2011). There are 23 statements in the questionnaire with responses using 5 Likert scales. From the results of descriptive analysis, the average score of respondents' perception was 4.10 for work environment and 4.13 for loyalty of millennial employees. All average perception score is found higher than 80% of the highest value of the Likert scale used (4,00 from 5 level Likert scale). From the hypothesis test results obtained: work environment has a significantly positive effect on the loyalty of millennial employees with a t count of 7.903 and a significance of 0.000. Hypothesis was accepted. Theoretically, the findings from the results of this study have implications to support and complement the results of previous studies. In practical management, the findings from the results of this study have implications: companies need to ensure the availability of work environment factors that have proven to have significant effects on employee loyalty. The work environment factors referred to primarily are the physical work environment (lighting, temperature, layout, and supporting equipment) and non-physical (cooperative relationships, professional colleagues, and bosses that are easily found). From the research results, there are a number of proposals for further research: although the influence of work environment was found to be significant, the coefficient of determination was only 36.7%. It needs to be further investigated for other influential factors which are 63.3%.

Keywords—work environment, loyalty, millennial employee

I. INTRODUCTION

Employees who are competent and have high loyalty will support the company performance effectively. Experts agree that, one-third of the profits from the company are generated by employees who are loyal to the company.

At present, there are three generations of employees, i.e. the baby boomer generation (1943-1960), generation X (1961-1979), and generation Y (1980-2000). In the next 10 years, the baby boomer generation will enter the retirement period, and generation Y will be the largest workforce. Based on data from the Central Statistics Agency, there are 127.07 million

workforces on 2018 and 40,95 million people of them are generation Y or millennial.

This change the composition of the workforce brings special problems for companies. Sebastian explains that that is the advantage of millennial generation that is, creative, dynamic, technology literate, and close to social media. But on the other hand they also want to be fast, and easily moved jobs in a short time.

Nindyati's research explains that there are 60% of the generation Y respondents with an average age of 28 years, have moved their workplaces six times and 40% have never moved at all [1]. Compared to the previous generation of Gen X, there are 64% of gen X that have never moved from where they work. Other research also states that, 76.8% of generation Y frequently change workplaces after an average of one year they work in a company [2].

This is a challenge for companies that questioning the loyalty of Generation Y. The loyalty itself can affect the company performance. Employee loyalty can have a positive impact on performance. Employees who have high loyalty will feel happy and excited in doing their jobs, that they will work productively. On contrary, low employee loyalty will have an impact on decreased morale and inconvenience in work situation that it will increase turnover in a company.

Based on the description above, this research is conducted to see the effect of the environment on the generation Y employee loyalty.

II. LITERATURE REVIEW

A. Generation Y (Millennials)

One of the main characteristics of millennial generation is marked by increased use and familiarity with communication, media and digital technology. Regarding to the aspect of work, millennials have characteristics that are far different than those of previous generations, including;

- Millennials work not only to receive salaries, but also to pursue goals (something that has been told before),
- Millennials don't really pursue job satisfaction, but what millennials want is the possibility of developing themselves in the job (learning new things, new skills, new fields, knowing more people, taking opportunities to develop, etc.)

- Millennials do not want a boss who is bossy and controlling
- Millennials don't want annual reviews; millennials want on going conversations
- Millennials do not think to improve their deficiencies; millennials think more about developing their strengths.
- For millennials, work is not just work but work is part of their lives.

B. Loyalty

Loyalty which is reflected by the willingness of employees to maintain and defend the organization inside and outside the work of undermining irresponsible people [3]. The same was conveyed also by Fajarullaali who explained that loyalty is trust, and service given to someone or organization in which has a sense of responsibility and love to provide treatment and try to provide good service [4]. Loyalty is getting to know each other among members in a large group, strong feelings of belonging, having many friends in the company, and more broadly outside the company there is a personal relationship during their work [5].

From the explanation above, it can be concluded that employee loyalty is a form of loyalty shown by an employee in defending and giving the best to the organization / company. The attitudes shown include, such as, responsibility, discipline and also have a good relationship with colleagues and or superiors.

There are four indicators of employee loyalty [3], including:

- Obedience. Namely, the ability of a person to obey all applicable regulations and obey the commands given, and be able not to violate the specified restrictions.
- Responsibility. Namely the ability of an employee to finish his job well and on time and dare to take risks for the decisions he made.
- Dedication. Namely, the ability of an employee to provide ideas, thoughts and energy that is owned sincerely to the company. An example is, faithfully surviving with the company in any condition.
- Honesty. Namely, the ability of an employee to carry out his duties with the sincerity of sincerity, not abuse the authority given and report the results of work as it is in accordance with what is done.

Indicators of employee loyalty include [6]:

- Obey the rules. Namely, employees have the determination to obey the rules both in writing and verbally.
- Responsibility to the company. Namely, the ability of an employee to carry out the tasks assigned and awareness of responsibility for the risk of what he has done.

- Ownership of the company. The emergence of a sense of having employees towards the company can make employees have the attitude to maintain and be responsible for the company.
- Interpersonal relationships. Namely, the social relationship between employees, as well as the relationship between superiors and subordinates.
- Willingness to cooperate. Employees who can work together with people in a group that is in the same company will enable the company to achieve goals that cannot be achieved by people individually.
- Likes work. Employees who do work with sincerity and pleasure, will not demand what they receive outside the basic salary.

Employee loyalty is influenced by four factors, others:

- Personal Characteristics. Namely in the form, age, years of service, gender, level of education and achievement.
- Job characteristics. Namely in the form of work challenges, task identification, task feedback and task compatibility.
- Characteristics of company design. That can be seen from the level of employee participation in decision making at the company.
- Experience gained in work. That includes a positive attitude towards the company, a sense of trust and security towards the company.

C. Work Environment

The work environment is everything that exists around the workers and that can affect him in carrying out the tasks assigned [7].

The work environment is "Something in the environment of workers that can affect themselves in carrying out tasks such as temperature, humidity, ventilation, lighting, and noise, cleanliness of the workplace, and whether or not adequate or not work equipment [5].

The work environment is the overall relationship that occurs with employees at work. Everything in the workplace is a work environment. Employees are in a work environment when employees do work activities, and all forms of relationships involving these employees, including from the work environment [8].

From the three explanations above it can be concluded that the work environment is everything that exists around the workers both physically such as facilities, room temperature, and layout, as well as non-physically like the relationship between co-workers and superiors.

Factors that influence the work environment are [3]:

- Work facilities, such as work equipment, work space, ventilation and standard operating procedures (SOP). If the work facilities do not support, then the employee's performance can decrease and cause discomfort.

- Salary and benefits. Salaries that are not in accordance with the sacrifice or workload of employees can make employees start thinking about finding a new job whose salary and workload is considered appropriate.
- Work relations. A good working relationship and mutual support between superiors and subordinates and with colleagues can increase productivity. It can also cause a stronger emotional bond between employees and can cause employee loyalty to increase.

The work environment is divided into two namely, the physical work environment and the non-physical work environment [3].

D. Physical Work Environment

The physical work environment itself is a physical form that is present in the vicinity of the workplace of employees both directly and indirectly. The physical work environment itself is divided into two types, namely:

- Environment that is directly related to employees. Like, tables, chairs, and other equipment facilities
- Intermediary environments or work environments that affect human conditions, such as lighting, temperature, humidity, air circulation, noise, mechanical vibrations, odour, colour, decoration, music and security.

III. RESEARCH MODEL AND HYPOTHESES

The following below is the research model used in this study:

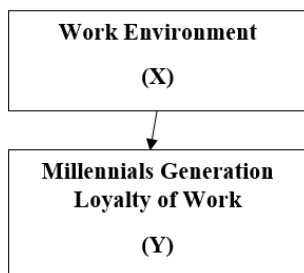


Fig. 1. Research model.

Based on figure 1, it is explained that in this study there is one independent variable, namely the work environment and one dependent variable, namely Y generation employee loyalty. This study was conducted to determine the effect of the independent variable on the dependent variable

Based on the conceptual framework above, the hypotheses proposed in this study are:

- H1: There is an influence of the work environment on employee loyalty in gen Y.
- H0: There is no influence of the work environment on employee loyalty Y genes.

IV. RESEARCH METHODOLOGY

A. Research Design

This research is a quantitative study with a type of causal research. The study was conducted to determine the relationship between the independent variables in this case, namely the work environment, and the dependent variable in this case is the loyalty of Y generation employees. This study was conducted only for employees who were in generation Y or who were born in the range of 1980 to 2000.

B. Population and Sample

The population used in this study were all Y generation employees or workers in Indonesia with a total of 40,954,633 people in 2017. According to Sugiyono the sample is part of the number and characteristics possessed by the population [9]. If the population used in a large study and researchers have limited funds, time and energy, then researchers can use samples from that population [9]. The sample criteria used by researchers in this study are, employees or workers who are and or have worked in a company for more than one year.

The number of representative samples is dependent on the number of indicators multiplied by 5 to 10. The number of indicators used in this study were 19 indicators divided into two, namely the work environment indicator and the loyalty indicator. The sample required in this study was a minimum of 95 respondents

The sampling technique used in the research is nonprobability sampling technique by convenience sampling. Convenience sampling is a way to gather information from members of the population that is easily obtained and able to provide information.

C. Data Collecting Method

Data collection used in this study is a survey conducted on a minimum of 95 respondents. This method is used to obtain the Y generation's response data on the work environment towards Y generation employee loyalty. The questionnaire was prepared using a Likert scale with the following scores as in table 1:

TABLE I. LIKERT SCALE

1	Strongly Disagree
2	Disagree
3	Neutral
4	Agree
5	Strongly Agree

The questionnaire used in this study refers to the questionnaire used by Ramdhan [3] and Kennedy [8] which was later modified for the purposes of this study. This questionnaire consists of 23 statement items which are divided into three parts, namely, the first part is the respondent's identity data consisting of four statement items, the second part is a statement regarding indicators of the work environment consisting of 12 statements, then the last or the third part is a statement regarding indicators of the work environment

consisting of seven questions. The questionnaire was collected through electronic media (online survey).

The method of decomposing respondents in accordance with the specified conditions is, by giving a statement about the long experience of working, if the respondent who fills is a Y employee who works less than one year, then it will automatically complete the questionnaire and not proceed to the next statement. The following in table 4 is a breakdown of the results of returning questionnaires that have been distributed. From the questionnaire distributed 145 respondents were collected. The number of respondents that can be processed is 107 (response rate 73.79%)

D. Data Processing and Analysis Methods

The analytical method used in this study is a descriptive analysis test to see and interpret the results of the respondents' demographics. Then, the data quality test consists of validity and reliability tests. Then proceed with the classic assumption test consisting of the normality test, and the heteroscedasticity test. Furthermore, the linearity test, simple regression test and statistical test t.

E. Descriptive Analysis

Descriptive analysis is used to assess the characteristics of a data. According to Hague, the best way to interpret the meaning of a statement is to make reference standards for comparison [10]. Interpretation of the average results of respondents' answers will refer to the norms owned by Hague which consists of four categories in table 2 [10]:

TABLE II. REFERENCE COMPARISON STANDARDS ACCORDING TO PAUL HAGUE

4.0 – 5.0	Very Good	4.0 – 5.0	Very Good
3.5 – 3.9	Good but Need Improvement	3.5 – 3.9	Good but Need Improvement
3.0 – 3.4	Quite Good, and need a lot of Improvement	3.0 – 3.4	Quite Good, and need a lot of Improvement
< 3.0	Not Good	< 3.0	Not Good

F. Data Quality Test

Data quality test is used to determine whether the data used in this study is feasible to be processed or analysed. Data quality test aims to determine the validity and reliability of the data. Data quality tests conducted included validity and reliability tests

Validity test is used to validate each item contained in the questionnaire by using the Pearson correlation product moment that is connecting the score of each statement with a total score. The statement item is said to be valid if the calculated r value is greater than the r table value. Item statement that is said to be valid can explain that each item of statement can be used as a measurement tool. While the reliability test is used to test the consistency of the measurement if it is measured more than once at different times with the Cronbach's Alpha formula,

G. Classic Assumption Test

Used to find out whether the regression model created can be used as a good predictor. Some of the classic assumption tests used are as follows; Normality Test, Heteroscedasticity Test, and Linearity Test.

H. Hypothesis Testing

This study is intended to determine the relationship of influence between independent variables and dependent variables. With the independent variable Work Environment and the dependent variable is Employee Loyalty. Because the X variable used in this study is one, the hypothesis test used in this study is a simple regression test with the statistical hypothesis test t and the R2 test.

V. ANALYSIS AND DISCUSSION

A. Characteristics of Respondents

Characteristics of respondents in this study are employees born in 1980 - 2000 which are included in the Y generation category who have worked in the same company for at least one year. The explanation of the survey results of the respondent's characteristics as follows:

B. Based on Gender

Of the 107 respondents collected and processed, there were 36% of respondents or equal to 39 of the male respondents, and 64% of respondents or equal to 68 female respondents.

C. Based on Year of Birth

From 107 respondents collected and processed, there were 26% of respondents or equal to 28 respondents born in 1980 to 1990, and there were 74% of respondents or equal to 79 respondents born in 1991 to 2000.

D. Based on the Length of Work

Of the 107 respondents collected, there were 61% of respondents or equal to 65 respondents who had worked for 1 to 3 years in the same company, and there were 39% of respondents or equal to 42 respondents who had worked for more than three years in the same company

E. Descriptive Analysis

1) *The average respondent answers to work environment variables:* The following below is table 6 which explains the distribution of respondents' answers to work environment variables and there are 12 statements that can be answered by respondents in table 3.

TABLE III. THE RESULTS OF THE DISTRIBUTION OF RESPONDENTS' ANSWERS TO THE WORK ENVIRONMENT VARIABLES

No	Statement	Mean Score						
		Mean	Sex		Date of Birth		Length of Work (years)	
			P	W	1980 – 1990	1991 – 2000	1–3	>3
1	Working room Lighting	4.36	4.23	4.44	4.32	4.38	4.37	4.36
2	Working room temperature	4.27	4.26	4.28	4.11	4.33	4.28	4.26
3	Noise	3.99	4.03	3.97	3.86	4.04	3.92	4.10
4	Working room layout	4.17	4.13	4.19	4.07	4.20	4.18	4.14
5	Work equipment condition	4.28	4.21	4.32	4.32	4.27	4.34	4.19
6	Working room condition	3.83	3.97	3.75	4.07	3.75	3.75	3.95
7	A cooperative work relationship with coworkers	4.25	4.26	4.25	4.43	4.19	4.14	4.43

TABLE IV. THE RESULTS OF THE DISTRIBUTION OF RESPONDENTS' ANSWERS TO THE WORK ENVIRONMENT VARIABLES (CONTINUED)

No	Statement	Mean Score						
		Mean	Sex		Date of Birth		Length of Work (years)	
			P	W	1980 – 1990	1991 – 2000	1–3	>3
8	Colleagues work professionally	4.07	4.10	4.06	4.18	4.04	4.06	4.10
9	Do not feel discriminated against by coworkers	3.93	3.92	3.93	4.29	3.80	3.82	4.10
10	Ease of meeting superiors	4.10	4.10	4.10	4.18	4.08	4.08	4.14
11	Supervisor Fairness	3.74	3.62	3.81	4.07	3.62	3.68	3.83
12	Total	4.24	4.18	4.28	4.43	4.18	4.15	4.38
Average		4.10	4.08	4.12	4.07	4.19	4.06	4.16

Based on Table 4, which is about the work environment variables above and refers to the reference table of the comparative standard owned by Hague, it can be concluded that the average respondent's answers to statements about the work environment regarding lighting (4.36), temperature and temperature (4.27), layout (4.17), supporting equipment (4.28), cooperative relationships (4.25), professional co-workers (4.07), and easily accessible superiors (4.10) included in the 4.0 -5.0 interval which are included in the Very Good category. In the statement regarding noise level (3.99), the workspace that is owned (3.83), does not feel discriminated against (3.93), and a fair superior (3.74) is included in the interval (3.5 - 3.9) which is included in the Good category, but still needs improvement. And on statements about the overall work environment they currently make at work comfortable, the average respondent answers 4.10, where the number is included in the category of Very Good.

Based on the sex of the respondents, the indicators of lighting and room temperature, female respondents have a higher average value than male respondents, but still in the very good category. Which means that female respondents feel more lighting and the temperature of the room where they work makes them comfortable in doing work. On the low noise level indicator, male respondents on average answered very well and female respondents answered well, but still needed improvement. Which means that the average male respondent likes the quiet working environment so they can work comfortably. In the statement regarding the layout, male and female respondents are equally included in the excellent category. Which means that both men and women both feel comfortable when the layout of the equipment makes it easy for them to work comfortably. In the workspace indicator, male and female respondents are both included in the good category, but there needs to be improvements. Which means at this time, they feel the workspace they are using is quite comfortable, but

if it is made better than it is now, it will make them more comfortable working. In statements regarding good cooperative relations with co-workers, both female and male respondents are in the very good category. In the indicator of colleagues who are professional, the average response of respondents, both male and female respondents are both in the very good category. Where at this time, the work relationship they feel is very good. In the statement of not feeling discriminated against, the average response of male and female respondents are both included in the good category, but needs improvement. Where, they still feel discriminated against by their co-workers, making them less comfortable when working. In statements easily met with superiors, the average response of male and female respondents are both included in the excellent category. Which means that the current conditions, the respondent's supervisor is easy to find. And on statements about superiors who are fair, the average response of respondents both men and women are both in the good category, but needs improvement. And overall regarding work environment indicators, the average response of respondents both women and men alike answered very well. Where, they agree that their current work environment makes them comfortable when working.

Based on birth generation, the average response of Gen Y respondents born in 1980-1990 falls into the excellent category of statements regarding lighting, temperature and temperature, layout, supportive equipment, good cooperative relations with colleagues, colleagues who work professionally, do not feel discriminated against, easily meet superiors, and fair treatment of superiors, but on statements about low noise levels, the average response of Y gen respondents born in 1980-1990 belongs to the good category, but needs improvement. Which means according to respondents in the Y gen category born in 1980 - 1990, they can work in a state of low noise (quiet) but, if the situation is not silent, they can feel more comfortable in working. While the average response of respondents born in

1991 - 2000, in statements regarding lighting, temperature, noise. Characteristics, equipment that meets the needs, relationships with colleagues, colleagues who work in a professional manner, and easy to meet superiors can make them work comfortably, the average respondent's answers are included in the excellent category. As for statements about work space, not being discriminated against, and treating superiors fairly, the average respondent's answers are included in the good category, but there needs to be improvements. This means that Y genes born in 1991-2000 feel uncomfortable with their work space, feel discriminated against by co-workers and feel superior treatment towards them is unfair.

Based on the length of work, respondents who worked for 1-3 years, the answers given were on average included in the very good category, except for statements about low noise levels, workspace, not feeling discriminated against, and fair treatment of superiors. The four statements are categorized as good, but there needs to be an improvement. While

respondents who worked for more than 3 years, on average the answers given included in the very good category. However, in statements about work space and fair treatment of superiors, the average response of respondents is included in the good category, but needs improvement.

Overall, it can be seen that respondents tend to say that the lighting in the work space at this time is very good. And regarding the fair treatment of superiors, the average respondent's answers fall into the good category, but there still needs to be an improvement.

2) *The average respondent's answer is Generation Y employee loyalty variable:* The following below is Table 5 that explains the distribution of respondents' answers to the Y variable of employee loyalty variables and there are 7 statements that can be answered by respondents.

TABLE V. THE RESULTS OF THE DISTRIBUTION OF RESPONDENTS' ANSWERS TO THE LOYALTY VARIABLES

No	Statements	Mean Score						
		Mean	Sex		Date of Birth		Length of Work (years)	
			M	F	1980 - 1990	1991 - 2000	1-3	>3
1	Obey the rules	4.30	4.33	4.28	4.27	4.39	4.23	4.40
2	Discipline	4.05	4.08	4.03	3.99	4.21	3.95	4.19
3	Do a good job	4.30	4.26	4.32	4.27	4.39	4.22	4.43
4	Take care of company assets	4.37	4.33	4.40	4.34	4.46	4.34	4.43
5	Report the working results according to what was done	4.47	4.46	4.47	4.49	4.39	4.49	4.43
6	Like the work done	4.05	4.18	3.97	4.05	4.04	4.03	4.07
7	Ready to survive in the company	3.41	3.54	3.34	3.39	3.46	3.35	3.50
Average		4.13	4.17	4.12	4.11	4.19	4.09	4.21

Based on Table 5, it can be seen that the average respondent's answers to statements regarding obeying company regulations, entering according to working hours, doing a good job, maintaining company assets, reporting work according to the work done, and liking the work currently performed, included in the excellent category. As for statements about being ready to survive in the company, the average respondent's answer falls into the category of quite good, but needs a lot of improvement.

Based on gender, the average response of male and female respondents to statements about obeying company regulations, entering according to working hours, doing a good job, maintaining company assets, and reporting the results of work in accordance with what was done, included in the very good category. However, different from the statement about liking the current job, the answer of male respondents is included in the very good category, and the average female respondent answers are included in the good category, but there needs to be improvement. And for statements about being ready to survive in the company for the answers of male respondents included in the good category, and female respondents included in the quite good category, however, need a lot of improvement. And the average response of male and female respondents as a whole, included in the category is very good.

Based on the year of birth, there is a difference in the admission statement according to working hours, the average

response of respondents born in 1980-1990 is included in the good category, but still needs improvement, which means the current condition of the employee is disagreeing about the statement. Besides the differences that occur in respondents' answers based on this year of birth, lies in the statement about the readiness to survive with the company. Respondents born in 1980 - 1990 stated that they tend to agree or fall into the good category, but need improvement while those born in 1991 - 2000 fall into the sufficient category. Which means employees born in 1980-1990 are better prepared to stay with the company. For other statements, the average response of respondents is included in the excellent category.

Based on the length of work, there is a difference in the admission statement according to working hours, the average response of respondents who work for 1-3 years, falls into the good category, while for those who work > 3 years into the very good category. The difference explains that, workers who work longer in the company, obey more regulations regarding work hours. In addition, differences also occur in statements of readiness to stay in the company, the answers of respondents who worked 1-3 years included in the category enough, and the answers of respondents who worked for > 3 years included in the good category, but both of them need to be improved. From this explanation, it is known that workers who have worked longer hours are better prepared to survive in the company. For other statements, the respondents' answers to the two categories of old time worked, included in the excellent category.

The average respondent's answer is based on the old category of work, overall included in the excellent category.

3) *Hypotheses testing*

a) *Simple regression test:* Simple regression test is carried out to explain and evaluate the relationship of influence between variable X and variable Y. Requirements that must be met before conducting this simple regression test are the data used must be normal and the relationship between variables x and y must be linear.

A value which is a constant value is 9,954 which means that if there is no work environment, the consistency value of loyalty is 9,954

The value of b which is the value of the regression coefficient is 0.386 which means that for every 1% increase in the work environment, employee loyalty will increase by 0.386.

Because the coefficient value is positive, it can mean that the work environment has a positive effect on employee loyalty. Thus the equation of this simple regression is as follows:

$$Y = 9.954 + 0.386 X$$

b) *Statistical t test:* The statistical test t is used to show how far the influence of the independent variable (X) individually in explaining the dependent variable (Y). Decision making in the t statistical test is as follows:

c) *Based on the significance value:* If the significance value of the SPSS results is smaller than the probability value of 0.05 (<0.05), it means that there is an influence of variable X on the variable Y and vice versa. If the sig value is greater than the probability value of 0.05 (> 0.05), it means that there is no effect of the X variable on the Y variable. Based on the calculation results, it can be explained that the significance value in the statistical test t is at 0.000 where the number is smaller than 0.05. Therefore, it can be concluded that there is an influence of the work environment on the generation Y employee loyalty.

d) *By comparing the value of t-count with t-table:* If the value of t-count is greater (>) than the t-table then, there is the influence of variable X on variable Y which means that hypothesis 1 (H1) is accepted and rejects H0. Vice versa. If the value of t-count is smaller than t-table then there is no effect of variable X on variable Y which means that hypothesis 1 (H1) is rejected and accepts H0.

The number contained in the t-table with a value of α 0.025 and df 105 is 1.985 and the t-number is 7.903. Where the t-table number is smaller when compared to the t-count. Then, it can be concluded that there is an influence of the work environment on the loyalty of Y generation employees.

e) *R² test:* R square test (R²) is done to measure how far the ability of the independent variable (X) in explaining the dependent variable (Y). Because R² has a weakness that is biased towards the number of variables entered, the researchers suggest looking at the adjusted R² value in evaluating. From the data in table 16 above, it can be seen that the number listed in the adjusted R² value is 0.367 or equal to 36.7%. This figure explains that the variable employee loyalty Y gen can be explained by the work environment variable by 36.7%. While the remaining 63.3% is explained by other factors not included in this study.

F. *Hypotheses Decision*

Based on the hypothesis proposed in this study, the decision that occurred was Accepting H1 and reject H0, with the reasons for the explanation as follows:

- Based on the comparison of the significance value of 0.000 with a probability value of 0.05. then the sig value of 0,000 <of 0.005 then, there is the influence of the work environment on the generation Y employee loyalty
- Based on the value of t-count with t-table. The results show that the t-count is 7,903 > 1,985 t-tables. Then, there is the influence of the work environment on employee loyalty generation Y.

VI. DISCUSSION

Based on the results of the analysis that has been done and the decision making to accept or reject the proposed hypothesis, the discussion will then be explained to answer the formulation of problems related to the influence of the work environment on Y generation employee loyalty.

A. *Theoretical / Academic Implications*

The results showed that there was an influence of the work environment on the loyalty of Y generation employees. That is, employee loyalty was partially or partially influenced by the work environment both the physical work environment such as room temperature, lighting, layout, noise level and comfort of the work space and non-physical work environment such as good and professional relationships that are established between co-workers and also good and professional relationships that are established with superiors that can make them feel comfortable and happy when working. This study is in line with the results of four previous studies [3,4,6,7].

This study complements the previous research by pursuing the characteristics of the respondents. In the previous study the characteristics of respondents used were all employees in a company, but this study used respondents, namely employees in Indonesia who are Y generation employees. Then, the results obtained are factors that influence the loyalty of Y generation employees, which in this case is work environment factors.

B. *Managerial Implications*

Judging from the results of descriptive analysis data, it can be seen that statements about lighting in the work room get the

highest average score of respondents' answers, which means that respondents tend to answer agree and can also be interpreted, in their workplace, the lighting provided makes them comfortable at work. And the average value of the lowest answer is the 11th statement, "My boss treats me fairly". The average value of respondents' answers is low because there are 3 respondents who answered strongly disagree and 11 respondents answered disagreed and there were 25 respondents who answered neutral, which means they were doubtful about the statement (evidence can be seen in the attachment to table 30). To minimize this, companies can make clearer rules or regulations on matters that are perceived to cause perceptions of unfair behaviour, for example, are employees' perceptions of fairness regarding fairness about performance appraisal [11]. If under these conditions the company, must make detailed measurements of the indicators of achievement of each job and also communicate it to subordinates. So, superiors and subordinates both know and agree on this and in the end the assessment conducted by superiors is not biased and can also be accepted by subordinates (employees).

Judging from the results of descriptive analysis on the loyalty variable, the highest score is in the statement that the respondent / employee reports the results that are in accordance with what they are doing. This means that respondents whether male or female, born in 1980-1990 or 1990-2000, who worked for 1-3 years or more than 3 years, tend to say agree and assume that the statement is in accordance with the circumstances experienced by them. While the lowest results are contained in a statement about the readiness to survive in the company the next few years. To make employees want to survive, companies must pay attention to things or factors that can affect employee loyalty. In this study, one example is work environment factors both physical work environment such as facilities, layout, temperature, lighting, work space, etc., as well as non-physical work environments such as work relationships with superiors and with fellow colleagues. Employee loyalty can provide positive benefits for the company as an example is the decrease in the level of turnover if the employees are loyal and able to survive in the company.

VII. CONCLUSION

Judging from the results of this study, it was found that the work environment has an influence on the loyalty of Y generation employees (born in 1980 - 2000) who have worked for at least one year in the same company.

The results of the data in this study indicate that the variable or other factors that can influence the Y generation employee loyalty variable is 63.3%. Therefore, the suggestion that the writer can convey is to look for new variables, develop or look for other variables outside of work environment variables. Because in this study, there were 63.3% of factors or other variables outside the work environment variable that could affect the loyalty of Y genes, so the next researcher was

also expected to be able to examine with a larger number of samples than this study.

VIII. RESEARCH LIMITATION

- This research uses an electronic questionnaire, the method of distributing questionnaires by means of spreading through social media author Instagram, and asking for help to friends of writers to share the link of the questionnaire created by the author so that the author does not know in detail how many questionnaires were distributed.
- This research only focuses on one factor that can affect employee loyalty. And there are still many more factors that can affect employee loyalty such as compensation and salaries that can be investigated in more detail. Can be seen from the numbers listed in the adjusted R² value of 0.367 or equal to 36.7%. This figure explains that the variable employee loyalty Y gen can be explained by the work environment variable by 36.7%. While the remaining 63.3% is explained by other factors not included in this study.

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