

The Effect of Flexitime on Work-Life Balance of Millennials Generation Employees in Jakarta with Turnover Intention as Moderating Variable

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ABSTRACT

This research aims to study the effect of flexitime on work-life balance of millennials generation employees in Jakarta. The research method used is quantitative using 200 millennial respondents working in Jakarta. The collecting data technique in this research is non-probability sampling in form of an online questionnaire, as well as data analysis performed is a structural model analysis using SPSS and SmartPLS application. This study uses the Flexible Work Options Questionnaire (FWOQ), Work-life balance Scale (WLBS), and Turnover Intention Scale (TIS), which has been adapted to Indonesian by authors. The results of this research state that flexitime has a significant effect on the work-life balance of millennial employees in Jakarta. Then, the turnover intention is not significant to be a moderating variable. The result for P-Value turnover intention as a moderating variable is 0.797 and bigger than 0.05. It can be concluded that the temporary hypothesis of H_0 and H_2 is rejected and H_1 is accepted.

Keywords: flexitime, work-life balance, turnover intention, employees, millennials generation

1. INTRODUCTION

The world has launched the era of the fourth world industrial revolution, which becomes a means in human life and brings great changes in technology. The McKinsey Global Institute identifies that Industry 4.0 is referred to Cyber Physical Systems (CPS) that integrates computing, network, and environmental processes, by combining technology that connects cellular devices, robotics, 3D (3 dimensions), Artificial Intelligence (AI), and the Internet of Things (IoT). Industry 4.0 is based on production systems that encourage the transfer of real-time data and flexible manufacturing [1].

Quoted from digitaljournal.com, DeGraff explains Industry 4.0. It continues to grow in human life, namely every individual who can communicate in real-time throughout the world via the internet by providing translation applications and cheap gadgets. It makes it easy for humans to communicate internationally and use social networks (peer-to-peer) that have democratized the workplace by changing the place and way of individuals working [2]. Industry 4.0 becomes a means in human life, especially human resources (HR), for companies to determine the direction and progress of the company [3].

The Ministry of Industry says that the key to Industry 4.0 in Indonesia is human resources and digital infrastructure. Meanwhile, technology is used to build integrated

connectivity. The development of technology in the Industry 4.0 selected companies also follows the development of the millennial generation. This generation will be the force with the largest number of workers in Indonesia [4]. The millennial generation is the generation of workers who are born and grow along with the development of rapidly developing technology [5]. Population data from the Indonesian Central Statistics Agency show the number of Indonesian workers is 40% of the millennial generation [6].

Forbes Statistics conducts a survey of 7,700 millennials in 29 countries. Overall, 16.8% of the generation wants work balance to be the first consideration in finding work [7]. In addition, the Indonesian Central Statistics Agency surveys purchases in Indonesia, with 85% of respondents saying the reason they change jobs or resigned is that they don't have a balance by dividing their time between work and personal life [8]. The millennial generation is very demanding. Relationship with work, family, and personal life can be well established and their attraction to motivate to work [9]. Work-life balance is considered as the balance between work, family and personal life.

An employee will not consider himself lucky whenever the personal life and company needs are not appropriately engage. Assuming that personal life and family needs are not engage, employee will feel that he is not successful [10]. Balancing work and family problems is important for every

human being that works. Singh and Khanna [11] describe strategies for companies to create work-life balance for employees, namely flexible working hours, appropriate working hours, reasonable working hours, access to deal with children, flexible work, daily leave, job mobility, and telephone access.

Standard Chartered has implemented one of the strategies to improve employees' work-life balance by imposing flexible working hours. It is also called flexitime [12]. Flexible working hour patterns are very popular with employees in many companies because they can work flexibly and can support their work-life balance. Flexibility is defined as a formal or informal policy or practice from an organization (company) that allows various flexibility of employees to work, related to when and where the work will be done [13]. Flexitime is a form of practice directed so that employees can work with a convinced total of hours based on higher flexibility or do not work with working hours set by the company [14].

Technological advancements facilitate the work-life balance of a millennial generation employee because it can free employees to work at a time in a comfortable place [15]. Technological advancements change millennial generation employees' workings and result in changes in work-life balance without compromising work commitment, and employees do not have to leave the family. Millennials assume that they cannot be loyal to the company if the company does not provide a balance between work and life. Based on a survey on the Commercial Cafe page, it says that 18% of millennials are dissatisfied with their work because there is a gap in work-life balance [16].

The Staples Business Advantage Workplace Index conducted a survey in 2016. It stated that 74% of respondents felt they had a work-life balance by doing work that the pattern of working hours was flexible. It also increased the happiness of respondents by 10%. The Staples Business Advantage Workplace Index also stated that 22% of respondents admitted that they had changed jobs because of problems with their work-life balance [17]. In 2016, the Deloitte Millennials Survey stated that 76% of millennials expected a work environment with a creative and inclusive culture that supported open discussion and flexible working hours. They could become more productive, as long as they are not abused [18].

In addition, Forbes Statistics also surveys the benefits chosen by millennials at work. Around 19% of millennials want flexible working hours. Millennials need more flexibility in balancing work and life and feel more comfortable working with free time. A good work-life balance can support the role of a corporate environment with flexible working hours because the millennial generation focuses on the balance between work and personal life [19]. Based on this phenomenon, authors conducted an interview (mini survey) on April 20, 2019, before the research and got 25 millennial respondents who were working to find out what problems would occur in the millennial generation in Industry 4.0. The mini-survey revealed millennials who were working had a desire to stop working (resign) from the office because they wanted to

find work or a company with flexible working hours. They had difficulty in balancing responsibilities and work time with themselves, family, and friends. It meant they did not have work-life balance. Based on the mini survey, the authors conclude that work-life balance is very important for an employee. It can cause a loss for the company because employees cannot balance their personal lives with their work, so employees want to resign by finding work that applies flexitime.

Based on phenomena, secondary data, and mini surveys conducted, authors find that the millennial generation has problems with work-life balance. One way for work-life balance to improve is by applying flexitime (flexible working hours). It can reduce turnover intentions on millennial generation at work. A previous study conducted by Shagvaliyeva and Yazdanifard [20] in Malaysia discussed the impacted of flexible working hours on work-life balance. They concluded that flexible working hours or flexitime positively influenced work-life balance. One simple way to balance personal and work life is by providing flexible working hours. The more freedom employees have, the better they are in adjusting personal life to work life [20]. In connection with the phenomena, background, secondary data, and previous research, the goals of the research is determine whether there is a significant effect of flexitime on work-life balance on millennial employees in Jakarta with turnover intention as moderating variable.

1.1. Work-Life Balance

In the 1970s in England, work-life balance it can be said that a phenomenon to describe individual's balance between work and personal life [27]. Fisher is a psychologist who explains that work-life balance as a work stressor is related to time, energy, goal attainment and pressure issues [22]. Clark defined work-life balance is how a person manages work and family to achieve balance. Work-life balance is the stage or state of the individual experiencing a balanced relationship and satisfaction between work and family responsibilities [26].

1.2. Flexitime

Flexitime is an alternative way of conditions that developed in the 1960s in Germany. In 1967, companies in Germany used the development of the flexitime method for their workers which aimed to increase employee morale, increase retention and reduce traffic congestion [28]. According to Hooks and Higgs [29] flexitime is a form of flexible working hours based on flexibility and Riedmann defined flexitime is the ability to modify the start and end time of working hours.

1.3 Turnover Intention

According to Cotton, turnover intention is an individual's intention to leave company referring to the individual's own perception. Turnover intention can be interpreted as a

company refers to individual's own perception [30]. Based on Mobley [25] there are several factors that cause turnover intention as follows individual characteristics, job environment, job satisfaction, and organizational development.

2. METHODS

The research method in this study is quantitative. The quantitative measures a variable to get results in a numerical form calculated through statistical analysis, namely, SPSS and SmartPLS. The results will be interpreted and evaluated [21]. The sampling technique in this study is a non-probability sampling. In this study, authors are allowed to examine millennial employees who are still working with an age range of 19 to 30 in Jakarta. This research is conducted using the Google form application for data collection, so convenience sampling techniques are appropriate for the research. It can be said that the data collection is from several populations at random according to the characteristics, and the respondents are willing to contribute to research.

Before calculated data, to obtain a usable measuring instrument, a research must be valid and reliable. In this research, the validity test used are face validity and content validity. Face validity is done by reading the readability test to ten millennials employees in Jakarta area, while content validity is done by using expert judgement. After each item has passed the validity test, a pilot study is conducted and get 50 participants and the next is a reliable test.

Work-life balance measuring instrument adapts the Work-life balance Scale (WLBS) by [22]. In this measurement have 17 items and there's no items must be eliminated and the Cronbach's alpha is 0.943. The flexitime measuring instrument adapts Flexible Work Options Questionnaire (FWOQ) by [23], 4 of 11 items must be eliminated so that the Cronbach's alpha become 0.697. Whereas the moderator measuring instrument to measure turnover intention is the Turnover Intention Scale (TIS) from Mobley [24] and 1 out of 15 items must be eliminated and have Cronbach's alpha value is 0.936. This research used four Likert scales, the following choices starts from 1 (strongly disagree), 2 (disagree), 3 (agree), and 4 (strongly agree).

3. RESULT & DISCUSSION

Respondents in that study are millennials who work in Jakarta. They are 19 to 30 years old. Total respondents in this study are 200 respondents. This research is conducted using the Google form application for data collection. The data obtained will be processed and tested using the SPSS and SmartPLS, statistical modelling application.

In this research they are three assumptions. First, there is effect of flexitime on work-life balance in the millennial employees in Jakarta. Second, there is effect of turnover intention on work-life balance in the millennials employees in Jakarta. Third, turnover intention can increase or

decrease effect of flexitime on work-life balance, and it can be said that turnover intention is a moderating variable. And in this section, the author will describe the demographic of 200 respondents by age, gender and working status.

Table 1. Demographic of Respondents by Age

Age		
19 - 21	40	20%
22 - 24	105	53%
25 - 27	36	18%
28 - 30	19	9%

The most of the respondents are in the age range 22 to 24 years old with 105 respondents or 53% (See Table 1).

Table 2. Demographic of Respondents by Gender

Gender		
Female	133	66,5%
Male	67	33,5%

Based on Table 2, it can be seen that most of the respondents of this research are female. The number of females of this research is 133 or 66.5%, while male totaled is 67 or 33.5%.

Table 3. Demographic of Respondents by Working Status

Working Status		
< 1 years	74	37%
2 - 3 yeas	69	34,5%
> 4 years	57	28,5%

Based on Table 3, it can be seen the most of the respondents with working status are less than 1 year. The number of working status of this research is 74 respondents or 37%.

3.1. The Effect of Flexitime on Work-life Balance of Millennials Generation Employees in Jakarta

Loading factor is the correlation between the indicators of the latent construct. In field of social studies, it is very common to measure a construct that is indirectly measured through its indicators. Loading factor with the highest indicators have a higher contribution to explain the latent construct. Conversely, loading factor with low indicators have a weak contribution to explain the latent construct. Based on the most references, a factor value of 0.50 or more is considered to have strong enough acceptance to explain latent constructs. In this study, the acceptable value limit is 0.40.

Based on the research model there are indicators on three variables, flexitime (FWOQ), work-life balance (WLBS) and turnover intention (TIS) that have a factor loading value < 0.40. Thus, the next indicator with a loading factor value < 0.40 will be eliminated and the results are in Figure 1.

After the indicators with a loading factor of < 0.40 are eliminated, we get a model and convert it in the coefficients between variables, as shown in Figure 2.

Furthermore, based on bootstrapping analysis performed using P-Values obtained SmartPLS application for the effect flexitime on work-life balance is 0,000 and less than 0.05. It shows that flexitime has an influence on work-life balance directly. Meanwhile, the effect of turnover intention on work-life balance has (P-value) of 0,463 and bigger than 0.05. It can be said that turnover intention does not directly influence on work-life balance. Results for R-value obtained from structural equation modeling is 0,187. The result for P-value turnover intention as a moderating variable is 0.797 and bigger than 0.05. Hence, turnover intention is not significant to be a moderating variable in this model. The results are in Table 4.

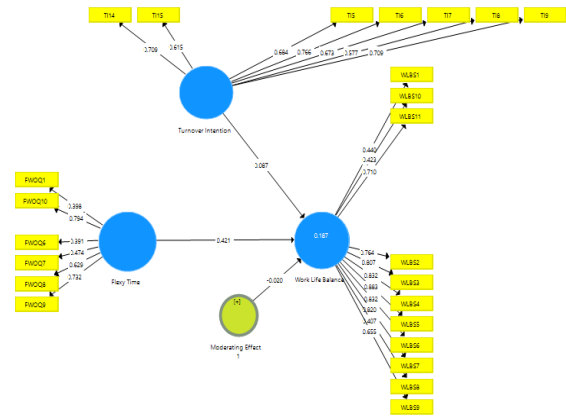


Figure 2. Coefficients

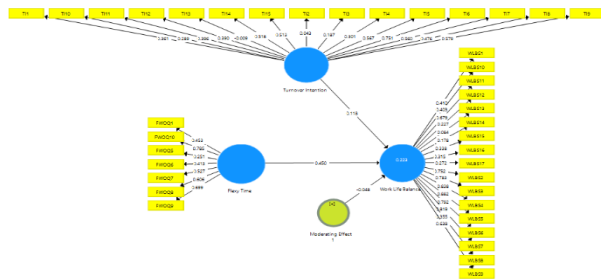


Figure 1. Loading Factors

Table 4. P-Values

Effect	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ((O/STDEV))	P Values
Flexy Time -> Work-life balance	0.421	0.438	0.063	6.634	0.000
Moderating Effect 1 -> Work-life balance	-0.020	-0.013	0.078	0.258	0.797
Turnover Intention -> Work-life balance	0.087	0.088	0.118	0.735	0.463

4. CONCLUSION

The conclusion of research, it can be seen this flexitime influences work-life balance directly. The P-value for flexitime on work-life balance (WLBS) is 0,000 or smaller than 0.05. Meanwhile, turnover intention does not influence on work-life balance directly. The effect of turnover intention on work-life balance (WLBS) has P-value of 0,463 or bigger than 0.05. Then, the turnover intention is not significant to be a moderating variable. The result for P-value turnover intention is 0.797 and bigger than 0.05 as a moderating variable. And based on demographic of respondents, it can be seen turnover intention is not significant to be a moderating variable because the respondents in this study for age, gender and working status are still limited. If the characteristics of the respondents were more specific, perhaps turnover intention could moderate this research. It can be concluded that the

temporary hypothesis of H₀ and H₂ is rejected, and H₁ is accepted.

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