

Dialectical relationship between millennial employee retention and well-being

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Abstract. As millennial employees carry more responsibility in society and companies, much attention has been paid to their well-being. They pursue the balance between work and life, enjoy and challenge. As to executives in companies, the most important task is to recruit employees who have high productivity and retention, and are willing to grow with the organizations at the same time, in order to keep the stable growing pace of the companies. This paper discusses the dialectical relationship between millennial employee retention and well-being, both of which complement each other.

1. Introduction

World Happiness Report 2017 reports that Chinese happiness index is 5.273 during the period from 2014 to 2016, ranking 79th in the world. According to the Penn World Table, in the past quarter century, Chinese real GDP per capita has a fivefold increase, as showed in Fig1. However as showed in Fig2, Chinese subjective well-being has been U-shaped over time, falling to a trough from 2000 to 2005, and subsequently recovering, but still lower than before. Two main reasons leading to this result are unemployment and the social safety net, both of which can bring about unstable society.

With the progress of the knowledge economy, the millennial employee has become an increasingly important force in the social development. Unfortunately along with it is a stronger turnover storm. Millennial employee is easier to quit the job than the older generations. Millennial employee has formed a huge shock wave, putting serious pressure on the traditional management model. The increasingly fierce competition for talents puts the human cost into the shackles of the company's development. Therefore, how to improve the millennial employee retention is an important issue to the prospect of Chinese enterprises.

2. Millennial employees

According to the important research of Stephen P. Robbins, American contemporary employees can be divided into four classes: veterans, baby boomers, generation X, and generation Y. The Chinese government firstly uses "millennial employee" in their documents in 2010. Millennial employees represent a group of people with special characteristics, being fairly innovative, diversified value system, multiple interests and priorities, and flexible career notions. Instead of the stable status being eager by old generations, millennial employee works depending on the interest, pursues happiness and dreams and tries the best to change the world.

3. Employee Retention

Employee retention is usually regarded as an opposite variable of the turnover intention [1]. According to the previous research, employee retention has three dimensions, turnover intention, job burnout, and organizational commitment [2]. Turnover usually happens when employees do not satisfy with their companies [3]. The higher organizational commitment employees have, the stronger employee retention is [4]. Low job burnout not only brings low productivity, but the diminished employee retention [5].

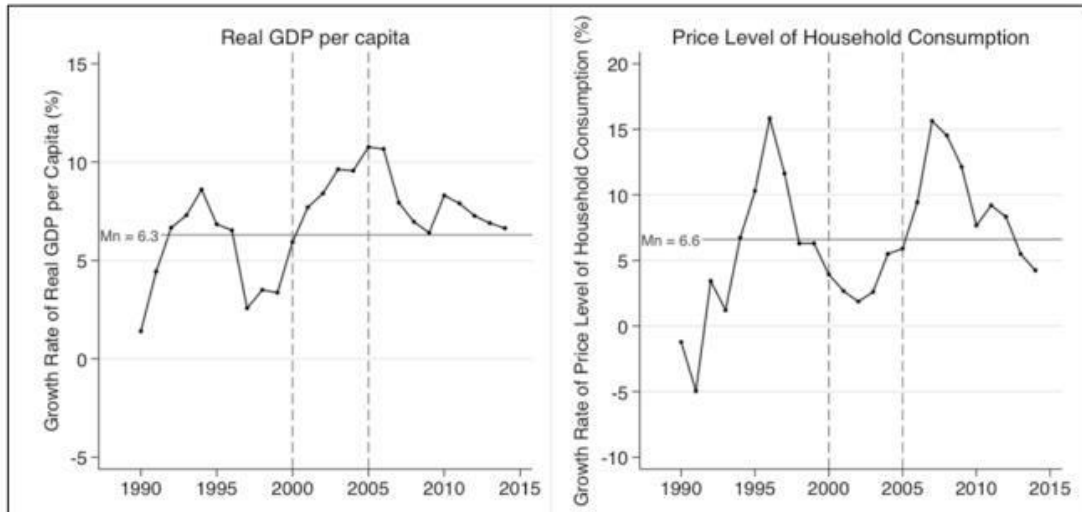


Fig. 1 Growth Rate of Real GDP per Capita and Price Level, 1988-2015

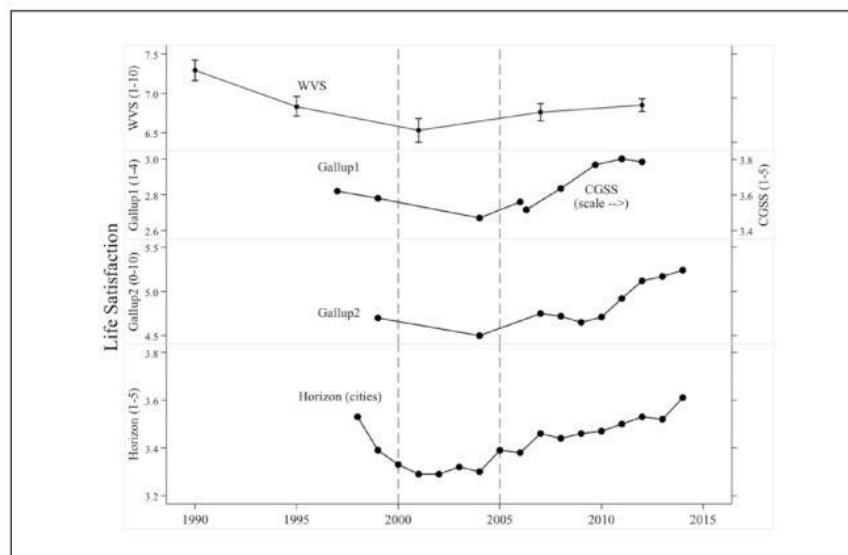


Fig. 2 Mean Subjective Well-Being, Five Series, 1990-2015

4. Employee Well-being

Well-being is usually regarded as two parts, subjective well-being and psychological well-being [6]. Well-being is a broad concept, including personal perception, identification, emotion, and so on. Everyone measured well-being by their own criterions. Most millennial employees evaluate well-being by the balance among work, dream, family and life. Therefore, we can define that well-being is a positive emotion coming from the process of self-fulfillment in the work.

Avey[7] supposes that individuals will have better health and results of work and life. There are untold factors influencing employee well-being, such as HRM practices [8], the culture of work-family [9], and leader types [10].

5. Dialectical relationship

Entrepreneurs never stop searching for employees who have high productivity and retention, and are willing to grow with the organizations at the same time. The key to realize these tangible goals may lie in employee well-being. Some researchers find that employee well-being is beneficial to

promote employee retention [11], including turnover intention [12], organizational commitment [13] and job involvement [14].

In turn, other scholars suppose that employee retention is one of the factors predicting the employee well-being. What's more, existing research also demonstrates positive relations between organizational commitment to the organization and indices of employee well-being [15]. Shimazu and Schaufeli [16] expect that job involvement predicts future well-being.

Over all, employee retention and well-being make it each other possible and devote irreplaceable contributions to the employee productivity and the loyalty to the organizations. In order to keep a virtuous cycle of more stable development and higher intelligence employees, companies executives should think more about employee retention and well-being, especially general health, mental health, psychology well-being and so on.

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