
Linking job expectation, career perception, intention to stay: Evidence from generation Y

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Abstract

As the level of turnover rate in present-day banking industry continues to increase, one of the causes is a gap between expectations and perceptions of employees in the workplace. Employees have assessed their future career lives based on their estimation during job searching process. They already have expectations for the workplace by seeking information from various sources about the company as well as the job or position. The aim of this research is to study the relationship between job expectations and career perception, and how it impacts an employee's intention to stay. The data were collected from 324 Gen Y respondents who work in public banking. The correlation test demonstrates that job expectations has strong impact on career perception. This study also finds that there is positive effect of career perception and intention to stay.

Keywords: Job Expectation; Career Perception; Intention to Stay

JEL Classification: J20, J23, J63

1. Introduction

Employee turnover is a composite phenomenon that is widely described as the settlement for an employee to finish their role with their organization. The impact of employee turnover can be either functional or dysfunctional to an organization. Functional turnover happens when poor performers left an organization, or when easily replaceable employees left the organization. Dysfunctional turnover appears when high achievers and hard-to replace employee left an organization (Allen et al., 2010). Meanwhile, high level of turnover at the company gives many detriments for the company both financially or non-financially.

Nowadays, the workers are dominated by Gen Y known as millennial workers. Millennial workers are the people born around 1977-2002, they have high performance but require high maintenance too. As the first generation who was raised with technology (example: cell-phone and email), they have the capability to use information and technology, then they will be the most high-performing employee (Dessler, 2013).

Gen Y have brave characteristic to argue a different opinion, have eagerness to learn and high curiosity, and they also have a huge energy to create something new. Through modern technology, Gen Y have the opportunity exposure to see different sides of the whole world. Aside from positive sides, there are also negative sides, Gen Y are demanding characters, few of them have unprofessional communication, high individualism and get bored easily, and some of them are impatient and egoistic.

These factors become challenges to manage millennial workers for companies. Moreover, employees are assets who have role to achieve the aim of organization. Company must compete with competitors to hire best employees. With the potential ability of Gen Y, such as high creativity, curiosity and willingness to learn something new and challenging. They can become worthy asset to help company to face industrial competition in this globalization era.

The transition from university to work-life becomes big change for students' life where they face complex economical demands; highly competitive and challenging job market, and high diversity of the workforce population. The transition from universities to real life working requires special attention for companies while recruiting employees (Hurst & Good, 2009).

University students invest their time, effort and resources they have to pursue higher education, because they have high expectation about career and job status in the future (Wood, 2004). According to Keenan & Newton (1984), generally, university graduates have negative reaction towards their first job impression, it is regarding to their high expectations before. To bridge their transition period, it is important for university graduates to get clear understanding about their expectation and career perception because it will affect their future careers.

Career transition from college to job includes three stages: anticipating preparation, meeting and stabilization (Nicholson & Arnold, 1989). Preparing students for their upcoming career before they start to work is very essential, as essential as an employer to make sure that transition that is faced by jobseeker runs smoothly through those three stages (Hurst & Good, 2009).

2. Theoretical Review and Background

Before starting to work, prospective employees will shape their job expectations in the future. Anticipation of what will happen have been formed previously, based on working and life experience, career aspirations and dreams, also personal characteristics (Woods, 1993). These explanations show that when employees have parallel career expectations, they will be more satisfied with their work and career choices (Igbaria et al., 1991).

Regarding to Woods (1993), pre-entry job expectation is something that is expected from employee's prospective when they start working based on their achievement targets in life and personal characteristics. Whereas, Balc & Bozkurt (2013) argues that job expectation is everything that is calculated or expected happens in a job. According to Hurst & Good (2009), if a company can understand what is expected and calculated by prospective employees, the company can minimize the gap between what is expected and what can be obtained from employees and minimize negative perceptions from employees. Kinicki (2016) argues that perception is a process of interpretation and understanding of an environment or condition. Career perception according to Oluwatoyin (2015) is a view that is formed based on the personal expectation and experience towards a job which becomes a factor to choose career path in the future.

Broadbridge et al (2007) state that employee expectation and career perception are factors that influence the anticipation of Gen Y to enter workforce. By understanding expectation and perception from Gen Y about job, it will enable companies to offer a career development for Gen Y in the company, and understand deeply about the progress of their career over time. This leads to the first hypothesis:

H1: Job expectation is positively influenced by career perception.

Employee turnover intentions have become an academic interest for a long period. Employee turnover is one of the largest and most costly firms may face. It's necessary for employee to feel their contribution to the firms are valuable (Taylor, 2002). Employees who receive appreciation from their employer will be more engaged with their companies, and thus, will be less likely to leave the companies. Intention to stay is described as employees' motives to stay in the present employment relationship with their companies on long period basis (Johari et al, 2012). Tett & Meyer (1993) suggest that intention to stay is the willingness or desires from employees to engage with organization. Gamage & Herath (2013) also suggest that intention to stay is a mirror from commitment

levels that employees have towards organization and willingness to survive on their job.

Yirik (2014) claims that people is a social being who have physiology desire on their working environment, it is because the employees' desire to keep working in a company has a tight relation with employees' perception about their work environment condition. Moreover, Shahrabani & Teitler (2015) state that if a company has asymmetry among employee's perception with managerial, it can give influence for the employee's willingness to keep working at a company. Based on these arguments, a following hypothesis is proposed:

H2: Career perception is positively influenced by intention to stay.

3. Methodology

3.1. Participant

Gen Y who work in public bank is chosen as object in this research. From 340 responses obtained, 16 of them did not fulfill the respondents' criteria, or the questionnaire is not fully filled / has a part with non-response items. The total of respondents in this research is 324 respondents. All respondents of this research are domiciled around big cities in Java, Indonesia, such as Jakarta, Tangerang, Bandung, Semarang, Yogyakarta and Surabaya. Table 1 describes the majority respondent profile between 23 - 27 years old. Meanwhile, the majority of them have been employees in their company for 3 – 5 years.

Table 1. Demographic Profile of Respondents

		Amount	Percentage
Gender	Male	169	52.16%
	Female	155	47.83%
Age	< 23	26	8.02%
	23 - 27	139	42.90%
	28 – 32	128	39.50%
	33 – 37	31	9.56%
	> 38	0	0%
Length of work	1 – 3	133	41.04%
	3 – 5	138	42.59%
	5 – 7	53	16.35%
	Diploma	21	6.42%

Educational level	Bachelor degree	275	84.87%
	Master degree	28	8.64%

Source: Handayani & Herwany (2018)

3.2. Measurement

Measurement of job expectation is using measurements adapted from Ciarniene et al. (2010). Measurement is used because it represents what will be researched, one of them are about the expectation of salary, the condition of working environment, the ability and knowledge possessed, career expectations when they were a jobseeker. In the job expectation variable, the researcher proposes 9 questions to the respondents.

Indicators used to calculate career perception in this research uses measurement reformed by Hurst & Good (2009). This research proposes 7 questions for career perception variables. In this variable, the researcher asks several things, which among others are, whether they have an interest to work, opportunities to learn new things, work-life balance, and career level clarity.

The intention to stay measurement developed by Kumar & Giovindarajo (2014) became the basis of measurement on the intention to stay variable in this research. This research proposes 8 questions for the intention to stay variable, including: satisfaction with the work done, suitability of training and development programs, reward distribution justice, and the relationship with superiors and co-workers. All variable uses likert scales, ranging from strongly disagree to strongly agree.

3.3. Procedure

A plain language statement outlining the purposes of the research, a questionnaire, and a souvenir are the package that received by respondents. These packages were distributed to staffs through their branch head or managers. Each package included a reply-paid envelope to bring through respondents to return the questionnaire closely to the researchers. The response rate from the 350 questionnaires distributed was 92,5%.

4. Result

4.1 Validity and Reliability

The constructs for the study that are job expectation, career perception, and intention to stay as well as their scale items were tested for reliability and validity test. Confirmatory factor analysis was conducted to check all indicators and to assess the validity and reliability for the scale items. There are three criteria to measure the validity in analysis factor. Firstly, a measurement can be valid if the score Kaiser Mayer Olkin's (KMO) > 0.5. Secondly, the signification value of the construct must be less than 0.05. Lastly, the value of factor loading for all indicators requisite be more than 0.5 (Ghozali, 2016). Meanwhile, for reliability in this research uses cronbach's alpha as a criteria. A variable can be said reliable if the cronbach's alpha score amounted ≥ 0.7 (Hair et al., 2010). It can be seen on Table 2 if all validity and reliability criteria have been fulfilled. It can be claimed that all indicators and variables are valid and reliable.

Table 2. Validity and Reliability

Variable	Item	KMO	Sig.	Factor Loading	Cronbach's Alpha
Job Expectation	JE1	0.843	0.000	0.629	0.854
	JE2			0.643	
	JE3			0.654	
	JE4			0.678	
	JE5			0.717	
	JE6			0.727	
	JE7			0.697	
	JE8			0.689	
	JE9			0.672	
Career Perception	CP1	0.723	0.000	0.764	0.779
	CP2			0.738	
	CP3			0.596	
	CP4			0.619	
	CP5			0.637	
	CP6			0.658	
	CP7			0.573	
Intention to Stay	IS1	0.826	0.000	0.543	0.828
	IS2			0.727	
	IS3			0.640	
	IS4			0.774	
	IS5			0.711	
	IS6			0.554	
	IS7			0.676	
	IS8			0.756	

Source: Handayani & Herwany (2018)

4.2. T-test

T-test usually determines how far a clear variable individually in order to present variation of independent variable. The variation for taking decision on t-score is having significance to be less than 0.05. If the result of t values > t table, so the hypothesis is accepted as stated that an independent variable individually influences dependent variable (Ghozali, 2016). The result of significant measurement of individual parameter (t-score measurement) by using SPSS as follows:

Table 3. T-test Result

		Beta	T-Values	Significance	Adjusted R ²	Significance
H1	Job expectation	12.484	9.517	0.000	0.253	0.000
	career perception	0.403	10.517	0.000		
H2	Career perception	10.749	7.867	0.000	0.383	0.000
	Intention to stay	0.734	14.207	0.000		

Note: *significance at the 5% levels, respectively (one-tailed test).

Source: Handayani & Herwany (2018)

4.3. Result

Simple regression analysis is done to measure the hypothesis used in this research. At the first of hypothesis measurement, it was found that t-values amounted 10.517 while t-table (one-tailed) is 1.660. The significant level 0.000 and adjusted R2 0.253, so it can be concluded that the first hypothesis is able to be accepted, job expectation gives positive impacts through career perception and job expectation can be described by career perception approximately 25,3%.

At the second hypothesis measurement, it was found that the result of t-values is 14.207 while t-table (one-tailed) is 1.660. The significant level 0.000 and adjusted R2 0.383, so it can be concluded that second hypothesis is able to be accepted, career perception variable brings positive influence towards intention to stay. And career perception can be described by intention to stay approximately 38,3%.

According to the calculation, it was found that there is a positive correlation and significant between job expectation with career perception. This research is in line with research from Hurst & Good (2009). University academics have an important role in shaping student expectations for work life. In addition,

the transition from college to the workforce plays an important role in building career perceptions.

The result of this research shows that career perception has positive influence towards intention to stay. The research that was conducted by Dabke & Patole (2014) also describes that perceived career progression opportunities become one of predictors from intention to stay. Miller & Wheeler (1992) and Quarles (1994) describe that career growth opportunities able to predict employees' intention to stay according to the fact that such practice provides job security, which guarantees long period employment relationship.

5. Discussion and Conclusion

Gen Y perceives career life towards their job according to their own prediction when they searched for a job previously. As jobseekers, they have searched previously about information related to job and company through website, online forum, relation in a company, and visiting company's location. They predict that the minimal standard of salary they should get is based on their economic necessity. By looking for a job, they also prefer jobs with comfortable environment and atmosphere, also the office can be regarded as their second home. Moreover, Gen Y has estimated to be able to work with pleasant colleagues, be able to compete in a good manner, and lack of seniority in the working environment. They have also predicted to be able to work with a pleasant line manager who is like a friend. The other thing that stands out to look for a job, Gen Y choose and validate the jobs to be in line with the abilities and knowledge they have.

They do their work based on personal pleasure and responsibility through their jobs. They also have pride towards their job. It will be better if a company that has employees with most of Gen Y can understand what a Gen Y workforce expects when looking for a job. Therefore, companies can form an appropriate work programs and system. Therefore, the perceptions about the career life of Gen Y with the company are well-formed. Furthermore, Stumpf & Tymon (2012) state that a person's career is an integrated work that is meaningful to the individual

Gen Y also considers continuing working at the company when they have a good perception of the company. They are happy with the opportunities gained to learn new things. They also demand clarity about their career paths. Another thing that stands out is they have a clear working hour calculation and in accordance with the rules applied in the company they work for. Generally, they

are also very happy if their job and achievements are appreciated and appropriately rewarded, therefore the clarity and suitability in reward calculation are things that make Gen Y survive in the company.

Millennial workers feel comfortable with a working environment that upholds equality and tolerance. A good relationship between Gen Y and their colleagues and superiors makes the workplace atmosphere more comfortable. Therefore, it enables Gen Y employees to survive at the company. Therefore, it would be better if the company could maintain the perception of them related to career life in a well-formed company. Moreover, the company can understand firstly what things that can keep Gen Y in the company. It is done so that the company can arrange the program that can be applied to retain their employees.

6. Implication for Future Research

This research was conducted in public banking sector in Indonesia, with the geographic location limited to Java Island. To have a broader view about the findings, future studies can be conducted in other industries, such as hospitality, logistics, manufacture, telecommunication, and others. Expanding geographic area and adding more sample are also needed to get more accurate results.

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