



TURNOVER INTENTIONS AMONG GEN Y IN MALAYSIA'S BANKING INDUSTRY

Sharmila Devi¹⁺

Asokan
Vasudevan²

Kumarashvari
Subramaniam³

Umi Kalsom⁴

Toong Hai Sam⁵

^{1,2,3,4,5}Faculty of Business and Communication, INTI International University, Nilai,
Negeri Sembilan, Malaysia.

¹Email: sharmila.devi@newinti.edu.my

²Email: asokan.vasudevan@newinti.edu.my

³Email: kumarashvari.subra@newinti.edu.my

⁴Email: ukalsom.kassim@newinti.edu.my

⁵Email: toonghai.sam@newinti.edu.my



(+ Corresponding author)

ABSTRACT

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The research aims to study the Gen Y turnover intention in the banking industry. The study took a quantitative approach that focuses on collecting numerical data that can be examined using statistical methods before being translated into information using quantitative techniques to understand the phenomena of turnover intention among Gen Y. Questionnaires were distributed online in convenient ways to enable the respondent to provide their feedback any-time and from anywhere. It was a non-probability sampling where questionnaires were distributed to respondents in the banking industry aged between 23-36 years. A set of hypotheses arising from a theoretical model of turnover intention was tested using SPSS. Empirical results revealed that only two variables significantly influenced turnover intention. Two independent variables, reward, and job satisfaction, show a significant relationship with the turnover intention of Gen Y in the banking industry of Malaysia. Employee engagement verified that it does not support the hypothesis and has no significant relationship. The research provides a clinical study on the relationship between Gen Y's turnover intention with rewards, job satisfaction and employee engagement in the banking industry of Malaysia, where the findings will benefit the industry and academic field as an additional review or reference for future research. Employers will have a better understanding of which area of improvement to enhance an organization's performance and a clear understanding of employee needs.

Contribution/Originality: The study will assist human resource managers to better aligning their employee retention programs rather than focusing solely on salary increments, thereby improving the bank's productivity and overall performance. In addition, the study acts as a window to gain understanding of an organization's employee experience, workplace culture, policies, compensation, and procedures. This research study was conducted during the beginning stage of the COVID-19 pandemic, which provides a unique approach to conducting the research.

1. INTRODUCTION

According to Belete (2018), turnover intention refers to the chances of an employee leaving his or her existing position and company. Mendis (2017) said that turnover intention is defined as the relative desire degree of an individual to leave an organization voluntarily and permanently. People will change or leave their jobs or

organizations according to their preferences, culture, norms and the intention to leave the employment or organization, also known as turnover intention (Belete, 2018).

The topic of turnover intention has sparked much debate among academics and businesses as it implicates corporate spending and human resource planning where most firms consider employee turnover a threat and profound concern (Azlin, Jahya, Othman, & Romaiha, 2020). According to Mendis (2017), employee turnover is the most challenging issue in the business environment. Employee turnover, or the migration of employees from one organization to another within a short period of time, can sometimes lead to a decline in organizational quality. Due to its theoretical importance and financial and practical impact, employee turnover has drawn much public and scholarly attention in recent decades (Huang, Chen, Liu, & Zhou, 2017). Belete (2018) supported the view that employee turnover has always been a significant worry for every organization, regardless of its location, size, or industry.

Examining employee turnover intention is particularly significant since it aids employers in planning and molding the future human resource initiatives for an organization (Saleem & Qamar, 2017). Wen and Xiong (2020) stated that it is essential to study the turnover intention process to explain the connection between employees and their behavioural outcomes where employees understand the pattern and provide a solution to the problem. Research into the elements that contribute to turnover helps better understand the phenomena and then develop a set of measures to reduce attrition (Denney, Dietz, Malone, & Mullen, 2018).

Falahat, Gee, and Liew (2019) stated that Malaysia's financial services business had seen a significant increase in turnover, from 7.4 per cent in 2012 to 13.3 per cent in 2017. Quality and professional human resources are required to retain reputation and compete with other regional offices and banks, as they will lead to an improved individual performance by understanding the factors that cause turnover intention, which will then promote organizational performance to be more optimal (Suzabar, Soelton, Umar, & Triwulan, 2020). Employee turnover in the banking industry in Malaysia remains high despite offers with higher salaries, which would have a detrimental influence on the profit margin performance in the banking industry (Falahat et al., 2019). According to Kurniawaty, Ramly, and Ramlawati (2019), the majority of employees who quit are middle management personnel with fewer than ten years of service. Therefore, it is critical to investigate their intentions where turnover increased significantly between the two quarters of the year, nearly doubling from the prior quarter. Understanding the key determinants of employee turnover intention, which are the main contributors to Malaysia's high turnover rate, will assist human resources managers in better aligning their employee retention programs rather than focusing solely on salary increments, thereby improving the bank's productivity and overall performance (Falahat et al., 2019).

2. LITERATURE REVIEW

2.1. Underlying Theory

The underlying theory for this study is Social Exchange Theory (SET) which refers to a broad conceptual paradigm that encompasses a variety of social scientific fields, including management, social psychology, and anthropology (Anthony, Cropanzano, Daniels, & Hall, 2017). According to Blau (1964), connections are built to expect goodwill gestures to be repeated. Self-interest drives social exchange theory adopts individual social rationality and self-centeredness; therefore, exchange actions appear to be self-centred and selfish (Yin, 2018). The relationship between the actor and the target might occasionally alter the quality of the resources (Blau, 1964). Social Exchange Theory is founded on the assumption that the parties are liable for repaying the favours they have received and want to fulfil their mutual responsibilities (Akgunduz & Eryilmaz, 2018). Social Exchange Theory is seen as applicable in a reward system where the company invests in its employees, and the latter may feel obligated to return the favour with positive attitudes and improve performance by increasing the organizational performance (Menon, Narayanan, & Rajithakumar, 2018). Employee motivation and activity can be increased by rewarding them for their success; otherwise, employee motivation will decline and they will be more likely to leave the company

(Akgunduz & Eryilmaz, 2018). Workplace dynamics involve a higher level of personal investment as employees are concerned about obtaining or keeping the essential resources available. Determining any additional exchange variables will help employers manage the needs of employees thereby be reducing turnover intention to a minimum level (Chernyak-Hai & Rabenu, 2018).

2.2. Reward and Turnover Intention among Gen Y

Employees who are driven and devoted to the organization are less likely to leave with the implementation of reward management and develop a motivated and committed environment (Kerdasi & Azam, 2020). According to Wickramasinghe and Sajeevani (2018), the reward is the fundamental element that shows how much employees gain by devoting their time and effort to achieving the set objectives. Rewards that the firm provides to its personnel are the outcomes of an employee's work relationship that they think is valuable; employees should be told that the organization values what they do through acknowledgement (Chauhan, Ghosh, Rai, & Singh, 2018). Employers are responsible for designing an attractive reward package to attract and retain valuable employees (Wickramasinghe & Sajeevani, 2018). Payment, contingent rewards, and fringe benefits are all positively associated with normative commitment, and reward systems improve workforce agility and instill a stronger sense of corporate support among employees (Chauhan et al., 2018). Employees who have performed well over a long period and are given long-term rewards will be more likely to stay with the organization, reducing turnover (Rotea, Logofatu, & Ploscaru, 2018). An employee who is rewarded believes that the company appreciates their work, and this feeling leads to a sense of recognition, which motivates him or her to keep improving (Chauhan et al., 2018). Duah and Opoku (2019) believe that contingent rewards can improve self-determination and intrinsic motivation perceptions. Park and Min (2020) mentioned that favourable treatment by the organization to the employee, including organizational rewards, an attractive working environment, supervisor assistance, and fairness, tend to result in an emotional commitment to the company and they are likely to reciprocate with behaviours that help the company to achieve its goals. Employee incentive programs are critical for inspiring people to give their best to develop innovative ideas that aid in the improvement of business functions and drive overall company success, both financial and non-financial (Wickramasinghe & Sajeevani, 2018).

Hypothesis 1 (H1): Reward has a significant relationship with Gen Y's turnover intention in Malaysia's banking industry.

2.3. Job Satisfaction and Turnover Intention among Gen Y

Workers are stated to be a vital element of the company, hence job satisfaction is a significant influence in deciding to stay or leave (Alam & Asim, 2019). Several studies have confirmed the link between job satisfaction and the likelihood of leaving (Friesen, Ghoudi, & Jabeen, 2018; Lee, Yang, & Li, 2017). According to Alam and Mohammad (2010) employee satisfaction with compensation is the primary objective of the worker to get through the financial crisis. This has an impact on both the performance of the individual and the company. When employees are contented and devoted to their organization, the cost of employee turnover, absenteeism, and low productivity can be reduced to improve the profit margin (Cherif, 2020). Employers that want to keep quality employees should pay attention to the working environment, job enrichment, and stress management to benefit both employers and employees for long-term employment (Friesen et al., 2018). Performance and productivity are reactions to assessments of the workplace, characterized by a desire to preserve and approach the situation, the greater the chances of the employee to drop off from the organization if they are not up to performance level in the workplace (Hulin, Judge, Kammeyer-Mueller, & Weiss, 2017). The employee believes that when his job provides him with undesired financial, emotional, or adverse benefits, he may withdraw from his job, resulting in absenteeism and poor performance, which the employee will see as a cost to the organization (Friesen et al., 2018). Consistent human resource management techniques, employee job satisfaction, and organizational commitment should be evaluated

and prioritized for any organization to attract new competent people and retain those already present (Cherif, 2020).

Hypothesis 2 (H2): Job satisfaction significantly correlates with Gen Y's turnover intention in Malaysia's banking industry.

2.4. Employee Engagement and Turnover Intention among Gen Y

In society nowadays, businesses face difficulties in employee retention where turnover incurs high costs and hiring a new employee does not guarantee success for an organization (Rylova & Sergio, 2018). Kahn (1990) defined employee engagement as a person's psychological presence while performing assigned duties. Researchers further supported Kahn's definition that employee engagement is the degree to which an employee becomes cognitively, emotionally, and behaviorally involved with his or her job and the organization (Iddagoda & Opatha, 2020; Sun & Bunchapattanasakda, 2019). Employee engagement refers to an employee's dedication and involvement in their organization's fundamental values and ideals (Jindal, Shaikh, & Shashank, 2017). Employee engagement can help an organization succeed and stay competitive, given that the program is implemented and designed properly (Rylova & Sergio, 2018). Jindal et al. (2017) stated that employee engagement is a psychological state measured by employee performance and productivity, and it is aided by focusing on essential factors such as planning, recognition, communication, and contribution. Employee engagement is linked to organizational commitment. The relationship formed between employees and the organization impacts the entire image and performance of the company, which is associated with increased profitability, shareholder return, and customer happiness (Rylova & Sergio, 2018). Yitzhaky and Bahli (2021) suggested that employee performance be analyzed regularly. Their development should be continuous, with compensation plans, training, development opportunities, and career management assistance, where these actions help strengthen the link between the organization and employees to achieve a bigger goal. Employee engagement has a significant relationship with organizational commitment, and a sense of belonging leads to very few possibilities of engaged individuals leaving the firm (Rylova & Sergio, 2018).

Hypothesis 3 (H3): Employee engagement has a significant relationship with Gen Y's turnover intention in Malaysia's banking industry.

Figure 1 illustrates the conceptual framework adopted in this study.

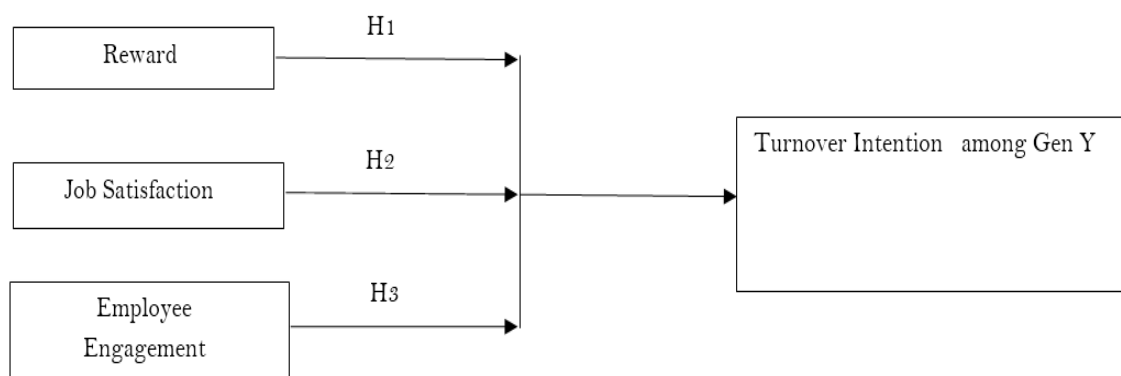


Figure 1. Conceptual framework.

3. METHODS

3.1. Participants and Procedure

This research focused on the Gen Y population as an individual unit that looks at the individual perception of the turnover intention in the banking industry. The researcher aims to study male & female respondents aged between 23-36 years of age. According to the Department of Statistics Malaysia (2020), the total population between 23-36 years of age is estimated to be over one million (Department of Statistics Malaysia, 2020). Regarding Krejcie and Morgan (1970) sampling size of 384 is required to be statistically relevant for a population of over 1,000,000. To secure the minimum response requirement of 250 sampling sets, the researcher distributed at least

422 sets of questionnaires, as questionnaires collected in less than 250 sets will have resulted in a skewed result in the SPSS system. It was a non-probability sampling where questionnaires were distributed to respondents in the banking industry aged between 23-36 years of age. The data was collected via the distribution of a questionnaire to the respondent to answer through the internet. Questionnaires were converted into digital form and uploaded to google form/monkey survey for the ease of respondents to respond at any time and from anywhere. The questionnaire employed in this study was divided into three sections, separated by Part (A) demographic profile, (B) turnover intention as the dependent variables, and followed by (C) independent variables, which include reward, job satisfaction and employee engagement. The study focused on measuring items in the questionnaire with a Likert Scale from 1-5 points (from strongly disagree =1 to strongly agree =5) to gauge the responses. Table 1 shows the summary of the questionnaire design for the study.

Table 1. Instrumentation design.

| Section | Variables | Items | Source | Adoption / Adaptation |
|------------------------------|---------------------|-------|---|-----------------------|
| A | Demographic profile | 3 | The term "demographic profile" refers to individual characteristics and demographic data that are used to determine if respondents are representative of the population under study (Saunders, Lewis, & Thornhill, 2017). | - |
| B (Dependent Variable) | Turnover intention | 5 | Naidoo (2018); Ng and Salamzadeh (2020). | Adaptation |
| C (Independent Variables) | Rewards | 4 | Ng and Salamzadeh (2020). | Adaptation |
| | Job satisfaction | 4 | Abate, Schaefer, and Pavone (2018); Lee et al. (2017). | Adaptation |
| | Employee engagement | 4 | Ellis (2020); Chin, Rafiq, and Wu (2017). | Adaptation |

3.2. Measurement and Measure

The study applied specific methods to determine the consistency, accuracy, and reliability of respondents' data and to measure the relationship between all variables to ensure that user data is available to support the research (Saunders et al., 2017). A pilot study examined the collected data to ensure that it reflected the research's requirements. A pilot test refers to testing 10% - 20% of the sample size before actual data collection. The purpose of the pilot test in this study was to validate the questionnaire reliability and the items' applicability and assist the researcher in forecasting the total time required to complete the survey (Mooi, Mooi-Reci, & Sarstedt, 2017).

4. DATA ANALYSIS

Table 2 highlights the response rate of 79.8%. A total of 422 sets of questionnaires were distributed with 15 sets of it spoiled due to data skewness. Therefore, 337 sets of data are being analyzed for the research.

Table 2. Summary of questionnaire distribution.

| Total Distributed | Total Received | Total Usable | No. of Total Spoilt | Response Rate |
|-------------------|----------------|--------------|---------------------|---------------|
| 422 | 352 | 337 | 15 | 79.8% |

4.1. Descriptive Statistics

Table 3 concluded the demographic section, which covers gender, household income and job position. Male led the profile where they took up half of the scale, 50.7%, while the female group was 49.3%. The majority of the respondent in the banking industry are at senior level (31.2%), then ranked after are managerial position (19.3%), intermediate (17.8%), senior manager (16%), associate (8%), director (6.2%), vice president (1.5%) with an income

level range between RM3,500 - RM6,999 (35.6%) followed by RM10,500 – RM13,999 (29.1%), RM14,000 and above (18.1%), RM7,000 – RM10,499 (9.5%), RM3,500 and below (7.7%).

Table 3. Demographic profile of respondents.

| Variables | | Frequency (n=337) | Percentage (%) |
|--------------------------|---------------------|-------------------|----------------|
| Gender | Male | 171 | 50.7% |
| | Female | 166 | 49.3% |
| Household Monthly Income | RM3,500 and below | 26 | 7.7% |
| | RM3,501 – RM6,999 | 120 | 35.6% |
| | RM7,000 – RM10,499 | 32 | 9.5% |
| | RM10,500 – RM13,999 | 98 | 29.1% |
| | RM14,000 and above | 61 | 18.1% |
| Job Position Level | Associate | 27 | 8% |
| | Intermediate | 60 | 17.8% |
| | Senior | 105 | 31.2% |
| | Manager | 65 | 19.3% |
| | Senior Manager | 54 | 16% |
| | Director | 21 | 6.2% |
| | Vice President | 5 | 1.5% |

4.2. Reliability and Validity Test

The reliability analysis and factor analysis using SPSS (26.0) were performed to test measurements' reliability and validity. Daoud (2017) stated that the purpose of a reliability test is to determine the questionnaire's resilience and assess the computation stability and internal consistency in light of the data acquired for the study. Cronbach's Alpha is likely probably the most widely used metric for determining the internal consistency of scale items where the value of 0.7 – 0.9 indicates an excellent and acceptable value. The reliability measurement of turnover intention and turnover intention by items with Cronbach's Alpha value between 0.827 – 0.870 (see Table 4), where the data show as highly reliable and meeting the rule of thumb. Table 4 demonstrates the reliability indication of independent variables consisting of reward, employee engagement, job satisfaction, and the item scale from 0.700 – to 0.898. Overall, the value has met the minimum requirement of being above 0.7 with confirmation to proceed for further analysis as it is proven that the collected data is adequate, positively relatable and fit for the research.

Table 4. Reliability analysis results.

| Construct | Cronbach Alpha |
|---------------------|----------------|
| Turnover intention | 0.868 |
| Rewards | 0.898 |
| Job satisfaction | 0.830 |
| Employee engagement | 0.809 |

The Kaiser-Meyer-Olkin (KMO) test and Bartlett's Test of Sphericity were used to determine whether the data set, and questionnaire items in the concept were suitable for factor analysis, to evaluate whether the sampling for each variable and the entire model was sufficient for the research (Chauhan et al., 2018). The KMO value for dependent and independent variables was 0.730 and 0.803, respectively and met the rule of thumb value above 0.6 (see Tables 5 and 6). These items were considered sufficiently acceptable for turnover intention between rewards, employee engagement and job satisfaction. The Bartlett Test of Sphericity for both the dependent and independent variables is 0.000, which is less than 0.001, indicating that the data does not produce an identity matrix and is thus approximately multivariate average, usable and appropriate for the research.

Table 5. KMO and Bartlett's test (dependent variable).

| KMO and Bartlett's Test | | |
|--|--------------------|----------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | | 0.730 |
| Bartlett's Test of Sphericity | Approx. Chi-Square | 1135.098 |
| | df | 10 |
| | Sig. | 0.000 |

Table 6. KMO and Bartlett's test (independent variables).

| KMO and Bartlett's Test | | |
|--|--------------------|----------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | | 0.803 |
| Bartlett's Test of Sphericity | Approx. Chi-Square | 2545.238 |
| | df | 66 |
| | Sig. | 0.000 |

Because all dimensions and items of this study are based on numerous previous theories and literature, content validity met the questionnaire's criterion. The value for factor loading listed in Tables 7a and 7b marked the value between 0.644 – 0.852 for dependent and independent variables, respectively, more significant than 0.6. These results show that all the listed items are acceptable and good to proceed for further analysis as they met the stated minimum requirement.

Table 7a. Factor loading for preliminary test (dependent variable).

| Items | Initial | Extraction |
|--|---------|------------|
| I often think of leaving the current organization. | 1.000 | 0.670 |
| I will leave the current organization if opportunity arises. | 1.000 | 0.646 |
| I plan to leave current organization within 2 years' time. | 1.000 | 0.644 |
| I am interested in climbing the corporate ladder for my career advancement. | 1.000 | 0.607 |
| I am likely to challenge my capabilities by taking up new responsibilities in a new environment. | 1.000 | 0.730 |

Table 7b. Factor loading for preliminary test (independent variables).

| Items | Initial | Extraction |
|--|---------|------------|
| The benefits package provided by the current organization is competitive with others in the market. | 1.000 | 0.677 |
| The current organization offers adequate opportunities for promotion & career development. | 1.000 | 0.852 |
| I am satisfied with the amount of recognition given by the current organization when I perform well. | 1.000 | 0.679 |
| The rewards provided motivate me to stay with the current organization. | 1.000 | 0.629 |
| I enjoy the working culture in the current organization. | 1.000 | 0.703 |
| I feel supported by my superior and colleagues in the current organization. | 1.000 | 0.745 |
| I am proud on my job and working in the current organization. | 1.000 | 0.759 |
| I understand my role in the organization and able to perform well. | 1.000 | 0.665 |
| I feel the task I'm working on is meaningful to the current organization. | 1.000 | 0.674 |
| I feel valued for my contribution in the current organization. | 1.000 | 0.657 |
| The management of the current organization is transparent and clear. | 1.000 | 0.678 |
| I see a growing career path in the current organization. | 1.000 | 0.780 |

4.3. Multiple Regression

R² value in social science research sometimes will have a lower score than the minimum requirement, 0.5, due to difficulties of human behavioural analysis. This is supported by Dzacovska (2020), who stated that because of difficulty forecasting human cognition and actions, human behaviour research often has a smaller R² than other areas of research where R² value above 0.4 is considered fit to the model with a significant relationship.

Table 8. Model summary (multiple regression).

| Model Summary | | | | |
|---------------|--------------------|----------------|-------------------------|----------------------------|
| Model | R | R ² | Adjusted R ² | Std. Error of the Estimate |
| 1 | 0.801 ^a | 0.642 | 0.638 | 0.56972 |

Note: a. Predictors: (Constant), Rewards, Job Satisfaction, Employee Engagement.

The R² value will determine the degree of overall variance in the independent variables and demonstrate the dependent variable adoption in this research. R² and adjusted R² are deemed to have a good model fit, which indicates that the model has 50% good variation or if the R² value is above 0.5 (Hair, Black, Babin, & Anderson, 2018). Table 8 shows that the R² value is 64.2% of variation on rewards, employee engagement, and job satisfaction, which influences the turnover intention of Gen Y in the banking industry in Malaysia. An adjusted R² value of 0.638 suggested 63.8% variance of turnover intention had a positive association with the independent variables: rewards, employee engagement, and job satisfaction. Table 8 also revealed that 36.2% of other factors might have a certain impact on the turnover intention to the research.

4.4. Beta Coefficient

Enrika and Tirta (2020) identified that the closer the value of the beta coefficient is to 1, the stronger the influencing power towards the dependent variable. Hence, the higher the value represented the solidity of the relationship with the dependent variable. Independent variables have no meaningful influence on the dependent variable when the beta coefficient equals zero (Cooper, Schindler, & Sharma, 2018). Table 9 shows that reward and job satisfaction show a significance which has met the requirement where p-value equals 0.000 and 0.001, complying with the p-value significant at below the 0.05 value respectively. These results pointed out that reward stands out as the primary variable that supported the model (turnover intention) with p = 0.000, beta coefficient value at the highest, 0.689 among the variables followed by job satisfaction where p-value = 0.001, beta coefficient value at 0.219. Employee engagement shows no significant relationship with turnover intention as the p-value, 0.082, was above the minimum standard of 0.05.

Table 9. Coefficients.

| Coefficients ^a | | | | | | | | |
|---------------------------|---------------------|-----------------------------|------------|---------------------------|--------|-------|-------------------------|-------|
| Model | | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. | Collinearity Statistics | |
| | | B | Std. Error | Beta | | | Tolerance | VIF |
| 1 | (Constant) | 0.375 | 0.142 | | 2.651 | 0.008 | | |
| | Reward | 0.724 | 0.056 | 0.689 | 12.994 | 0.000 | 0.382 | 2.616 |
| | Employee Engagement | -0.105 | 0.060 | -0.099 | -1.746 | 0.082 | 0.333 | 3.001 |
| | Job Satisfaction | 0.238 | 0.073 | 0.219 | 3.266 | 0.001 | 0.239 | 4.188 |

Note: a. Dependent variable: Turnover intention.

The VIF value must be less than ten, and the tolerance value must be higher than 0.1 to ensure the model is fit and that there are no issues with collinearity (Cherif, 2020). Table 9 indicates that the VIF and tolerance values for all three independent variables are less than ten and above 0.1. However, employee engagement is rejected in this research because its p-value is above 0.05. The following is the result of the analysis equation:

$$y = 0.375 + 0.689 (X_1) + 0.219 (X_2)$$

y = Gen Y's turnover intention in the banking industry of Malaysia, X₁ = reward.

X₂ = job satisfaction.

The equation formulation is described by for every increase of one unit in reward; a 0.689 unit increase in turnover intention is foreseen. For every increase of one unit in job satisfaction, a 0.219-unit increase is seen when

turnover intention is predicted. Based on the results, rewards is seen to have the highest impact on turnover intention in the banking industry of Malaysia with 0.689 and followed by job satisfaction with 0.219.

Table 10. Summary of hypotheses testing.

| Item | Hypotheses | Result |
|------|--|-------------------------------|
| H1 | Reward has a significant relationship on Gen Y's turnover intention in Malaysia's banking industry. | Accepted ($p=0.000, <0.05$) |
| H2 | Job satisfaction has a significant relationship on Gen Y's turnover intention in Malaysia's banking industry. | Accepted ($p=0.001, <0.05$) |
| H3 | Employee engagement has a significant relationship on Gen Y's turnover intention in Malaysia's banking industry. | Rejected ($p=0.082, >0.05$) |

4.5. Hypothesis Testing

Hypotheses' testing in this research is summarized in Table 10:

H1: Reward has a significant relationship with Gen Y's turnover intention in Malaysia's banking industry.

Testing results show that reward's beta coefficient is 0.689 with a p-value at 0.000, where the p-value is proven significant at below the minimum requirement, 0.05. Hypothesis 1 is accepted with a positive relationship between reward and turnover intention in the banking industry of Malaysia. This specified that turnover intention would increase by 0.689 when a unit of reward increased.

H2: Job satisfaction has a significant relationship with Gen Y's turnover intention in Malaysia's banking industry.

The results demonstrate that the beta coefficient for job satisfaction is 0.219 with a p-value of 0.001, where the p-value is proven significant at below the minimum requirement, 0.05. Hypothesis 2 is accepted with a positive relationship between job satisfaction and turnover intention in the banking industry of Malaysia. This specified that turnover intention would increase by 0.219 when a unit of job satisfaction increases.

H3: Employee engagement has a significant relationship with Gen Y's turnover intention in Malaysia's banking industry.

Based on the result of the analysis, the beta coefficient for employee engagement is -0.099 with a p-value of 0.082. Therefore, Hypothesis 3 is rejected because the p-value exceeded the minimum rule of thumb condition of 0.05 and revealed that the item does not show any significant relationship in this research.

5. DISCUSSION AND IMPLICATIONS

Hypothesis 1 is accepted based on the testing result, and it is proved that reward does have a significant relationship with Gen Y turnover intention in the banking industry of Malaysia, with a p-value below 0.05. According to Chauhan et al. (2018), payment, contingent rewards and fringe benefits are positively associated with normative commitment, and reward systems improve workforce agility and instill a stronger sense of corporate support among employees. It is further supported by Wickramasinghe and Sajeevani (2018) who stated that employers are responsible for designing an attractive reward package to attract and retain valuable employees. Employees driven and devoted to the organization are less likely to leave with the implementation of reward management and develop a motivated and committed environment (Kerdasi & Azam, 2020). Based on the research findings, hypothesis 2 is accepted as there is a significant relationship between job satisfaction and turnover intention among Gen Y in the banking industry of Malaysia with a p-value of 0.001, below the requirement of 0.05. These results align with the literature review in chapter 2 that several studies have confirmed the link between job satisfaction and the likelihood of leaving the organization (Friesen et al., 2018; Li, Sawhney, & Tortorella, 2019). The employee believes that when his job provides him with undesired financial, emotional, or intellectual benefits, he may withdraw from his job, resulting in absenteeism and poor performance (Cherif, 2020). Hypothesis 3 was rejected due to a p-value above 0.05, describing that there is no significant relationship between employee engagement and turnover intention among Gen Y in the banking industry of Malaysia. Based on the literature review in chapter 2, it was identified that employee engagement is linked to organizational commitment. The

relationship formed between employees and the organization impacts the entire image and performance of the company, which is associated with increased profitability, shareholder return, and customer happiness (Rylova & Sergio, 2018). Sun and Bunchapattanasakda (2019) supported the proposition that engaged employees provide an energetic, effective connection to their work activities and believe they can meet the demands of their job.

Wang, Xu, Zhang, and Li (2020) have a different perspective, which is that employee engagement has little effect on or indirectly affects turnover intention where it should serve as the mediator; where their research stated that focusing on professional identity instead will enhance the situation of turnover intention and motivate employee to stay in the organization. This is further supported by Kang and Sung (2019) who mentioned that a better understanding of individual responsibility and job scope will implant a strong sense of belonging, avoid work confusion, reduce conflict, and increase employee satisfaction with the organization, which eliminate the turnover intention. Rafiq, Wu, Chin, and Nasir (2019) indicated a negative relationship between engagement with turnover intention, although previous studies had proven a significant relationship. However, the fundamental processes by which engagement reduced turnover intention have mainly remained unknown where trust from both parties, employer-employee, should be included as part of the elements in the studies.

To investigate further, this research question was included in this analysis to ascertain whether the direction of this particular research is positively or negatively impacting. As a result, the current research findings suggested that it has no significant association with employee engagement, contradicting the literature review in section 2.

6. RECOMMENDATION

This research revealed the two factors that resulted in a positive relationship with turnover. Intentions were job satisfaction and reward. The research findings established that both job satisfaction and reward influence the turnover intention among Gen Y in the banking industry of Malaysia.

An effective incentive system is critical for an organization to succeed. Therefore, human resources must be able to structure the rewards effectively as this will encourage employees to compete and help their coworkers and lower the turnover intention rate (Wickramasinghe & Sajeewani, 2018). Intrinsic rewards refer to psychological encouragements such as recognition, a sense of pride, personal fulfilment from completion of an activity, gaining a new skill and feeling like an essential part of a team should be given as a token of appreciation to the employee for recognition to ease turnover intention (Duah & Opoku, 2019). Rotea et al. (2018) stated that identifying and implementing incentive programs would help keep current employees and attract recruits on board. In other words, extrinsic rewards such as commission, salary raises, performance bonuses, and sales incentives should also be provided to employees to improve extrinsic motivation, which is beneficial in lowering employee turnover intentions (Rafiq et al., 2019).

Job satisfaction among early-career employees is a critical factor in determining whether or not individuals will leave where problems must be treated swiftly and efficiently otherwise employee frustration will soon develop, diminishing job satisfaction and perhaps leading to turnover (Kang & Sung, 2019). Park and Min (2020) supported the idea of favourable treatment by the organization to the employee, including organizational rewards, attractive working environment, supervisor assistance and fairness tend to have an emotional commitment to the company are likely to reciprocate with behaviours that help the company to achieve its goals. Wang et al. (2020) recommended that to provide inner professional identities to the employee, soft skill training such as interactive conversation, role-play to handle the emotional exchange, active listening and trust-building exercises are required to boost personal commitment to the organization and reduce turnover intention.

Human resource management should consider generation cohorts while implementing the policies as understanding generation cohorts can improve how organizations employ, train, reward, and retain their workers. Enrika and Tirta (2020) showed that understanding the generation cohorts is particularly important to an organization since it may affect employee behaviour, performance, work attitudes, cultural values, and motivation as

different generations have established their own distinct set of work values as a result of different experiences and defining occasions. Gen Y and Gen X possess a different set of values an individual perspective, and management will have a better understanding and strategies in structuring the employee benefits that target different groups effectively by reducing the rate of turnover.

7. CONTRIBUTION

This research provides a clinical study on the relationship between Gen Y's turnover intention with rewards, job satisfaction and employee engagement in banking industry of Malaysia, where the findings will benefit the industry and academic field as an additional review or reference for future research.

7.1. Contribution to Academia

Considerable research has been conducted by different researchers on the turnover intention of employees and behaviour (Denney et al., 2018; Kurniawaty et al., 2019) in Malaysia and globally. Despite research having been done in various industries, research on Gen Y in the banking industry of turnover intention has little information.

The findings in this research serve as additional material for literature review and, hopefully, will be helpful for future research analysis.

These research findings indicated a strong positive relationship between reward with the turnover relationship among Gen Y in the context of banking industry of Malaysia while having determined that employee engagement has a negative relationship with the turnover intention. These results are a body of knowledge that fills the literature gap and serves as a platform for future academic research that incorporates mediating elements in impacting turnover intention.

7.2. Contribution to the Industry

This research focuses on the turnover intention among Gen Y in the banking industry and presents insights and comprehension analysis on aspects such as the reward system, job satisfaction and employee engagement to ease employee turnover intention. Employers will better understand which area of improvement to enhance organizational performance and a clear understanding of what an employee needs and wants. The organisation will be able to develop successful policies based on the study information by receiving the exploratory understanding of the employee perspective, which helps to increase retention and lower turnover rates.

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