

CHAPTER I

INTRODUCTION

This chapter will explain the whole research background, research questions, research objectives, research contribution, research limitation, research design and systematical outline.

1.1 Research Background

The ever evolving terms and conditions that predetermine what it means to be a millennial in the current labor market can never provide a concise way of understanding how to simultaneously retain them and ensure that they're having positive work outcomes. In recent years, the phenomenon of millennials has been taking over all industries with businesses and institutions utilizing plenty resources at an attempt to understand how millennials function in the work place, the culture they thrive in and most importantly as this paper will discuss is the commitment to their jobs.

With millennials age group ranging from 20 to 34 years old, according to the 2010 Indonesian Population Census there were about 61 million people in Indonesia that year within that age group (Utomo, Utomo, & McDonald, 2018). In line with this papers research the Indonesian Millennials Report 2019 by IDN Research Institute shined a light on the trend and statistics regarding millennials commitment specifically in Indonesia.

It has been continuously stated that millennials are the generation with low levels of company loyalty. The results of a survey show that 3 out of 10 Millennials plan to stay in one company for only 2-3 years only. Only 1 in 10 Millennials said that they would

continue to work for one company for more than 10 years. Junior Millennials (20-27 years) and Senior Millennials (28- 35 years old) are not significantly different (Utomo, et al.). These conditions have been causing high turnover rates within this generation.

According to Meyer and Herscovitch (2001, p. 301) commitment was defined as a “force that binds an individual to a course of action of relevance to one or more targets” as cited in (Chugthai, 2012). With this being said commitment cannot be limited in such a way since there are branches of commitment that can be referred to from Mayer and Allens (1991) three component model which covers affective, normative and continuous commitment. However, this paper will solely be focusing on affective commitment as it is seen as being “the most widely studied, generalizable across targets, and the most predictive of employee behavior” (Morin et al., 2011, p. 718) as cited in (Chugthai, 2012). Adaptation to millennials needs to take place, without having the fear of jeopardizing financial stability / economic strength.

Research shows that there is no denying how a portion of millennials do live up to the stereotype of lacking commitment, rejecting authority and leadership; but the aim is to focus on a greater body that in fact yearns for more than just to profit, instead they're in search of psychological gratification which could lead to better work engagement and relationship with its organization. Having a sense of purpose through creating an emotional attachment with the organization and employers likens the chances of having better employee engagement and organizational commitment (Walden, Jung, & Westerman, 2017).

In spite of the growing importance regarding supervisory commitment there are

still quite few studies that have empirically tested the implications of this construct. This is because most studies carried out have focused on components such as task performance (e.g. Siders *et al.*, 2001), organizational citizenship behavior (e.g. Cheng *et al.*, 2003) and last but not least turnover (e.g. Vandenberghe and Bentein, 2009). The myth that millennials aren't capable of organizational commitment and lacks compliance to authority is constantly pushing corporate and start-up businesses to create innovative approaches that could increase a sense of belonging and increase the motive of said millennials.

Therefore, in order to deepen the understanding of the topic this present paper will focus on the affects of these components specifically towards millennials. This is because generational gaps exist and create significant differences in the factors that might for example affect baby boomers versus millennials when it comes to supervisor commitment and work engagement.

In terms of organizational commitment, respondents in the millennial group (18 to 24 year-olds at the time of data collection) believed that they performed well and would have remained with the employer, but they did not find job satisfaction related to that commitment. Whereas with baby boomers (36 to 49 year-olds and older at the time of the study) that responded that if the work-place culture was positive then their organizational commitment and job satisfaction were positive as well. Although this correlated with an intention to stay in the job, the oldest group did not necessarily indicate that this commitment translated into good performance on the job (Stewart, Oliver, Cravens, & Oishi, 2016).

1.2 Research Questions

According to the background of the study above, there is the possibility of several problems arising that could affect the independent variable. The problems could be as stated below:

1. Is there a positive relationship between Affective Commitment to Supervisors and Work Engagement?
2. Is there a positive relationship between Work Engagement and Innovative Work Behavior?
3. Is there a positive relationship between Work Engagement and Feedback Seeking for self- improvement?
4. Is there a positive relationship between Work Engagement and Error Reporting?
5. Is there a positive relationship between Affective Commitment to Supervisor and Work Outcomes?

1.3 Research Objectives

1. Affective Commitment to Supervisor will be positively related to Work engagement.
2. Work Engagement will be positively related to Innovative Work Behavior.
3. Work Engagement will be positively related to Feedback Seeking for Self-Improvement.
4. Work Engagement will be positively related to Error Reporting.

5. Work Engagement will mediate the positive relationship between Affective Supervisory Commitment to Innovative Work Behavior, Feedback Seeking for Self-Improvement, and Error Reporting.

1.4 Research Contribution

1.4.1 Theoretical Contribution

Theoretically speaking, the central aim of this research was to investigate the relationship between affective commitment to supervisor towards millennial through three conclusive work outcomes: innovative work behavior and two forms of learning behaviors which are feedback seeking for self-improvement and error reporting. Furthermore, this research will investigate the engagement of these relationships through the involvement of work engagement as a mediating variable.

Two contributions can be made towards literature through this study. One being that previous research only linked supervisory commitment to limited work outcomes such as, task performance and turnover (e.g. Cheng *et al.*, 2003). The present study however adds new variables and application towards millennials, which creates the opportunity to have a more specific, and in depth understanding since certain barriers are lifted with the narrowing down of its scope.

Second being that previous research had mostly studied the direct relationship between supervisory commitment and employee outcomes hence not much is known about the intervening factors that connect supervisory commitment to these outcomes. This paper is expected to provide new ideologies that can support or provide up to date information that has not been identified or observed in previous researches.

In addition to this, it is also hoped that this research can be a basis for future authors to use as a reference material for further subsequent research. This research was carried out in hopes of yielding an outlook of the relationships between the Independent variable affective supervisor commitment, towards the dependent factors such as innovative work behavior, feedback seeking for self-improvement, and error reporting with the influence of the mediating factor, work engagement.

1.4.2 Practical Contribution

This research is expected to assist and provide advice or input for companies in Indonesia with a large millennial workforce in understanding whether millennials are inclined to have innovative work behavior, whether they seek feedback for self-improvement, whether they are open and receptive with error reporting, and if whether all three factors have any correlation with being a result of affective supervisory commitment through the involvement of work engagement as well.

Previous research has indicated that high quality leadership as well as perceived supervisor support might strengthen employees' affective commitment towards their supervisors (Vandenberghe et al., 2004) as cited in (Chugthai, 2012). Organisations should consider implementing enhanced training programs in order to encourage supervisors that in return may create a supportive and trusting work environment by empowering their employees. Supportive supervisory behaviors might encourage employees to reciprocate by showing finer commitment to their supervisors (Brown *et al.*, 2005) as cited in (Chugthai, 2012).

1.5 Research Limitations

There are several limitations to this paper due to the lack of resources, time span and such factors as seen to be stated below.

First, since the questionnaire results will specifically be taken from a population of those in the millennial age group. This limits the application of the results and theories since it differs from the variables that could be applied to for instance, Gen Z or Baby Boomers.

Second, the data of this research was collected solely from millennials working in tech, digital, and e-commerce industry. Thus, limiting its scope and applicability in other industries.

Third, the author chose to exclude the effects of normative and continuance commitment to the supervisor and chose to solely concentrate on the effects of affective commitment to the supervisor. As a result, for future research it would be another appealing route to follow in exploring the impact of normative and continuance commitment to supervisor towards the work outcomes included in this study.

Lastly the fourth limitation would be, seeing how there was only one mediating variable which is Work Engagement, there could be other factors or underlying processes that could serve as mediators between these relationships. As a result, further studies could seek out to identify different variables that could just as well mediate the relationship between supervisory commitment and its work outcomes.

1.6 Research Design

Since this research will be focusing on the relationship of three independent variables to a single dependent variable through a mediating variable to discover the results of cause and effect within their relationships, it's been decided to use Causal Research as the method for conducting this research. The data collection method for this research will be relying on quantitative data that will be gathered directly from a survey/questionnaire. The data collection will be conducted by distributing online surveys to Pte. Ltd. Insider employees and the data gathered from the survey will be used as the basis for proving the correlations and significance between the variables from the research model.

1.7 Systematic Outline

This paper consists of five chapters. These chapters include: the introduction, literature review, research methodology, finding and analysis, and conclusion. A short description of each chapter is outlined below.

CHAPTER I: INTRODUCTION

This chapter will explain about the further details on the research background, research issue, research questions, research objectives, research contribution, research limitations, and also the systematic outline itself.

CHAPTER II: LITERATURE REVIEW

Chapter II will explain all of the variables further based on theories gathered from

journals, books, research models, and hypotheses. The relationship between each independent variable, mediating variable and dependent variable will also be explained. Variables that will be explained are Supervisory Commitment, Work Engagement, Innovative Work Behavior, Feedback Seeking for Self-Improvement and Error Reporting.

CHAPTER III: RESEARCH METHODOLOGY

Chapter III will explain the research methods that began when the research was conducted such as the research paradigms, research objectives, research subjects, ethics of data collection, research variables, data sources, data collection techniques, scale of measurement, questionnaire preparation techniques, sample design, population and sample research, and data analysis techniques used within this study.

CHAPTER IV: FINDINGS AND ANALYSIS

Chapter IV will explain the analysis of research data and problem solving from the data that has been obtained through questionnaires, where processing and calculation was carried out using validity and reliability tests.

CHAPTER V: CONCLUSION

Chapter V will explain the conclusions obtained based on the results of the discussion that has been done in the previous chapter. This chapter will also include advice for companies that can be useful for the progress of the institution. The conclusion can be used as a reference for future research studies. However, this can only be done using different subjects, objects, and research methods.