



Generation Z and the Dynamics of Turnover: Insights from a Qualitative Study

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Abstract: Generation Z refers to individuals born between 1997 and 2012. Several studies indicate that this generation tends to have high expectations regarding flexibility, open communication, and alignment between work and personal passion. This study aims to explore Generation Z's perspectives on employee turnover phenomena within Elgaleri Company. A descriptive qualitative approach was employed, with data collected through semi-structured interviews with five former employees and field observations. The research informants were members of Generation Z who had at least two months of work experience and had either experienced or considered resigning from their workplace.

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The findings reveal that turnover decisions were influenced by misalignment between work roles and personal passion, limited opportunities for career development, insufficient two-way communication, and an inflexible work environment. The implications highlight the necessity of adopting more adaptive human resource management strategies, particularly in terms of career development, internal communication, and the creation of flexible work environments to mitigate turnover risks among Generation Z employees.

Keywords: Generation Z, Employee Turnover, Workplace Dynamics.

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Introduction

Generation Z, born between 1997 and 2012, has begun to exert a significant influence on the global workforce. Their presence not only brings substantial impact but also increasingly dominates labor markets across various industrial sectors, including micro, small, and medium enterprises (MSMEs) (Dimock, 2019). Generation Z has grown up in the midst of rapid digital advancements, shaping unique characteristics that distinguish them from previous generations. They tend to prioritize flexibility, work-life balance, and opportunities for career development. (Fatiha'Alya et al., 2024). This condition poses significant challenges for organizations, particularly in managing the retention of Generation Z employees. They place strong emphasis on maintaining work-life balance, accessing career development opportunities, experiencing flexible work arrangements, and engaging in meaningful involvement with the organization. The growing dominance of Generation Z across various industrial sectors reflects a clear demographic shift in today's workforce landscape (Dimock, 2019). As a generation often labeled as "job hoppers," Generation Z demonstrates unique characteristics and distinct work preferences compared to Millennials. They tend to prioritize flexible job arrangements, maintain a strong emphasis on work-life balance, seek

opportunities for self-development, and value a workplace environment that nurtures their creativity. (Anhar et al., 2025).

The distinct characteristics of Generation Z present significant challenges for companies and organizations. Unlike previous generations who placed greater emphasis on job stability, Generation Z tends to favor employers that align with their personal expectations, particularly in terms of organizational culture. (Amarullah et al., 2023). Turnover often occurs when the expectations of Generation Z employees do not align with workplace realities. This phenomenon is particularly critical because limited organizational resources make its impact more significant. In addition to the loss of skilled labor, small businesses and MSMEs must also bear additional costs for recruitment and training of new employees. Previous studies on turnover have generally concentrated on financial factors, job security, and traditional retention strategies (Diz, 2021) Namun, Research that specifically examines the perspectives of Generation Z, particularly within the context of small diversification enterprises, remains scarce. Moreover, qualitative investigations exploring the subjective experiences and underlying motivations of Generation Z employees in deciding to leave their jobs are still limited. Much of the existing literature and public discourse tends to emphasize the negative aspects of Generation Z in the workplace—such as their tendency for frequent job changes (job hopping), high demands for flexibility, and perceived low loyalty to organizations. However, it

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is important to acknowledge that Generation Z also brings substantial positive contributions to the workplace. (Griep et al., 2022)

Building on these considerations, this study aims to explore Generation Z’s perspectives on employee turnover within *Elgaleri*, a small enterprise operating in the skincare industry. Employing a descriptive qualitative approach, the research identifies several key factors influencing turnover decisions among Generation Z employees, including misalignment between work and personal

passion, limited opportunities for career development, insufficient two-way communication, and a perceived lack of workplace flexibility. The contribution of this study lies in offering deeper insights into how Generation Z perceives their work experiences in small businesses, a context that is often overlooked in turnover research. The findings are expected to enrich human resource management strategies, particularly in designing adaptive policies to mitigate turnover risks among young employees.

Tabel 1: Employee Turnover Elgaleri in 2024- 2025

Year/Period	Number of Employees Resigned	Total Employees	Percentage of Turnover	Duration of Observation
2024	8	25	32%	Januay-December
2025 (January-July)	11	25	44%	January-July

Table 1 demonstrates the turnover trend among employees at *Elgaleri* during the observation period of 2024 to mid-2025. In 2024, the company recorded a turnover rate of 32% across the full year. However, in the first seven months of 2025 alone, the number of resignations had already surpassed the previous year, resulting in a turnover rate of 44%. This indicates a significant escalation in turnover within a shorter timeframe, underscoring the growing challenge of retaining employees, particularly among Generation Z, within small enterprises.

The data indicate that the turnover trend within the company is relatively high. Such a considerable rate of employee turnover highlights a critical challenge for management in retaining members of Generation Z. Accordingly, this study aims to explore the perspectives of Generation Z regarding turnover, identify the underlying drivers that influence their decision to resign, and provide policy recommendations that may assist small enterprises in retaining young talent.

Literate Review

Employee turnover is generally understood as the movement of employees from one organization to another, a phenomenon often referred to as *job hopping*. This process can occur either voluntarily, when employees decide to resign on their own initiative (*voluntary turnover*), or involuntarily, when the termination is initiated by the employer due to performance issues, organizational restructuring, or other managerial decisions (*involuntary turnover*)(Miller et al., 1979). TEmployee turnover constitutes a critical issue in human resource management, as it generates multiple organizational challenges. High turnover rates often lead to increased recruitment and training costs, reduced overall productivity, and the loss of valuable organizational knowledge and expertise (Mobley, 2011). This phenomenon has become increasingly complex with the entry of Generation Z into the workforce. As a cohort deeply familiar with digital technologies, Generation Z is characterized by distinct expectations and work preferences. They demand flexibility, value work–life balance, prioritize career development opportunities, and place considerable emphasis on aligning their professional roles with personal passions (Nwoko & Yazdani, 2023). From another perspective, employee turnover can also be regarded as an opportunity, particularly when organizations are able to recruit new

talent that better fits organizational needs and adapts more effectively. Generation Z, born between 1997 and 2012, emerged during the rapid advancement of digital communication and sophisticated technologies. They are accustomed to environments with extensive access to technology, which fundamentally shapes their behaviors, preferences, and expectations in the workplace.(Dimock, 2019). With their distinctive characteristics, high adaptability, innovation-oriented mindset, and strong expectations for a balanced work-life integration (Anwar, 2024), Generation Z represents a workforce with unique dynamics that differ significantly from previous generations. Previous studies conducted by (Botezat et al., 2023) Previous studies have shown that Generation Z tends to prefer jobs that align with their personal passions, provide an inclusive organizational culture, and offer clear opportunities for personal and professional growth. This generation is also closely associated with the phenomenon of job hopping, often moving from one employer to another within a relatively short period of time. Such behavior is frequently driven by limited two-way communication with supervisors, misalignment with organizational culture, and the lack of adequate career development opportunities provided by the company. (Gochangcho, 2024).

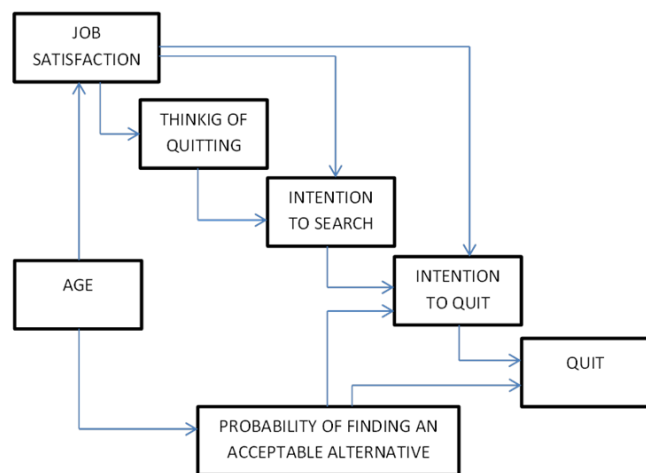
Generation Z, generally defined as individuals born between 1995 and 2010, is increasingly dominating the workforce across various sectors. The defining characteristics of this generation include their strong familiarity with digital technologies, preference for flexibility, and orientation toward meaningful work experiences. Compared to previous generations, Generation Z places greater emphasis on work–life balance, opportunities for self-development, and workplaces that foster collaboration and open communication. This orientation makes them more critical in evaluating the quality of their jobs and organizations, which ultimately contributes to higher turnover rates when their expectations are not met.

Examining turnover behavior among Generation Z through the lens of Self-Determination Theory (SDT) provides a more comprehensive understanding of how psychological, organizational, and social factors interact in shaping their decisions to remain with or leave an employer. SDT posits that individual motivation in the workplace is influenced by the fulfillment of three basic psychological needs: autonomy (the need to have

control over one's choices and actions), competence (the need to feel capable and experience growth), and relatedness (the need to build positive and meaningful social connections). When these needs are unmet, intrinsic motivation tends to decline, leading to dissatisfaction, stress, and eventually the decision to resign.

In this context, SDT offers a valuable framework to explain turnover among Generation Z employees, as it emphasizes the importance of satisfying autonomy, competence, and relatedness to foster work engagement and reduce the likelihood of voluntary turnover (Saraiva & Nogueiro, 2025). Thus, SDT not only clarifies the underlying mechanisms of turnover behavior but also offers practical insights for developing targeted human resource strategies to reduce attrition among younger generations. Berikut adalah Teori Turnover Mobley's dan Turn Over Karyawan

The Mobley, Horner, and Hollingsworth Turnover Theory



Gambar 1: The Mobley's Turnover Model and the Role of Age Generation Z Employees

Mobley's turnover model (1977) conceptualizes employee resignation as a psychological and sequential decision-making process rather than an immediate reaction. The model suggests that individuals pass through a series of cognitive stages before reaching the final decision to resign. These stages include the initial thought of quitting, the evaluation of potential alternatives, the development of intentions to search for a new job, and ultimately the decision to leave the organization.

An important factor within this model is age, which significantly influences employees' career mobility and turnover behavior. Younger employees, particularly those belonging to Generation Z (born between 1995 and 2010), are often characterized by higher risk-taking tendencies and greater willingness to explore new opportunities that align with their personal passions and aspirations. Compared to older cohorts, Generation Z demonstrates less attachment to long-term job stability and is more inclined toward pursuing meaningful work experiences, even if this requires frequent job changes.

In the context of Mobley's model, age plays a crucial role in shaping how quickly employees move through the psychological stages of turnover. Among Generation Z, low job satisfaction often acts as a trigger, giving rise to the thinking of quitting stage. This is followed by the intention to search for alternative employment opportunities, which is facilitated by their digital literacy and access to online labor markets. Finally, after evaluating these

alternatives, the process culminates in the decision to quit when new opportunities are perceived as more fulfilling or better aligned with their values and career goals.

Thus, for Generation Z employees, age is not only a demographic factor but also a determinant of career attitudes, mobility, and turnover propensity. Organizations that fail to meet their expectations for meaningful work, growth opportunities, and flexibility are likely to face higher voluntary turnover among this generational cohort (Sarantie et al., 2022)

Price Mueller Turnover Model

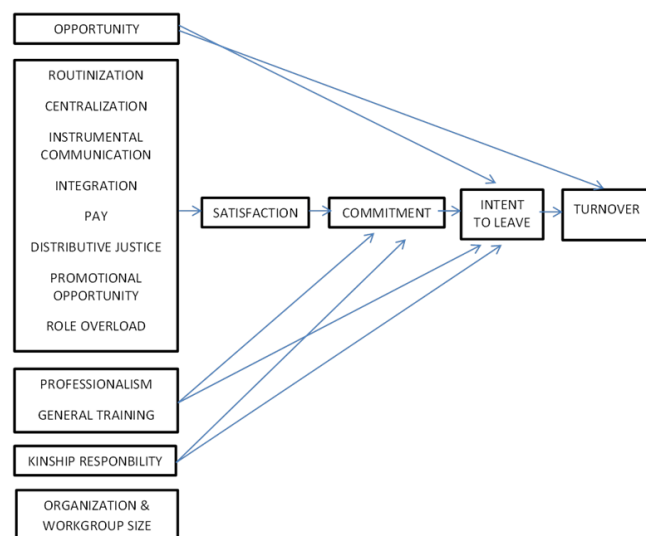


Image 2: Price Mueller Turnover Model

The Price–Mueller Turnover Theory emphasizes the significance of organizational factors in shaping employees' decisions to stay or leave. Core determinants include supervisory support, job satisfaction, and career development clarity. When these aspects are not adequately provided, employees tend to experience disengagement, which increases the likelihood of turnover.

In the context of Generation Z employees, these organizational factors become even more crucial. This generation places a strong emphasis on personal growth opportunities, including support from supervisors in developing competencies, access to training and learning programs, and flexibility in work arrangements. When such conditions are present, they reinforce both job satisfaction and organizational commitment, reducing turnover intentions. Conversely, the absence of these elements fosters dissatisfaction and heightens the risk of voluntary turnover.

Thus, applying the Price–Mueller framework to Generation Z highlights the need for organizations to design supportive managerial practices, invest in continuous employee development, and accommodate flexible work structures. These efforts not only address the intrinsic expectations of Generation Z but also function as strategic levers to strengthen retention and reduce costly turnover rates (Nindyati & Ulfia, 2024).

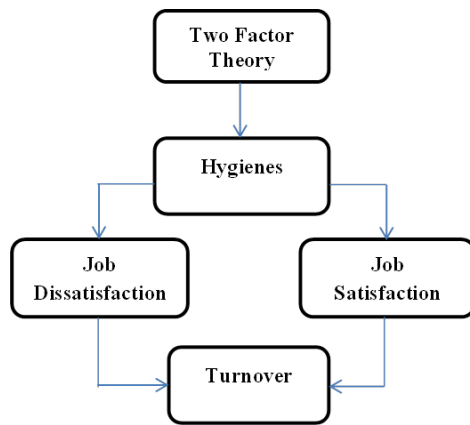


Image 3: Two-Factor Theory Herzberg and Employee Turnover

Herzberg classified the determinants of work motivation into two distinct categories: motivators and hygiene factors. (Susetyo et al., 2025) Motivators include achievement, recognition, challenging work, and opportunities for personal growth, whereas hygiene factors consist of salary, organizational policies, working conditions, and interpersonal relationships. The absence of motivators reduces employee motivation, while the lack of hygiene factors leads to dissatisfaction. Generation Z demands a balance between both dimensions, requiring organizations to address these aspects in their retention strategies. Herzberg's Two-Factor Theory of turnover thus serves as a supporting framework in this study

Methods

This study employs a qualitative case study approach to explore the subjective perspectives of Generation Z regarding employee turnover. A qualitative design is particularly effective for examining turnover among Generation Z in workplace settings, as it allows for an in-depth and nuanced understanding of employees' subjective views, motivations, and work experiences (Idrus et al., 2023). According (Patton, 2022) A qualitative case study approach was employed to capture the subjective perspectives of Generation Z employees regarding turnover. This approach is considered particularly effective for exploring complex organizational phenomena and identifying emerging themes in contexts that have not been widely examined. Data were collected through semi-structured interviews with five former Generation Z employees, complemented by direct workplace observation conducted by the researcher, who was simultaneously employed at Elgaleri. Informants were selected using purposive sampling, with inclusion criteria requiring a minimum of two months of work experience and having either considered or decided to resign.

The participants consisted of individuals born between 1997 and 2010, aged 18 to 27 at the time of the interviews, who had worked at Elgaleri for at least two months and had either experienced or contemplated resignation. Semi-structured interviews, conducted both face-to-face and online depending on informant availability, allowed the researcher to use probing questions to obtain deeper insights. Additionally, the researcher's role as an employee facilitated direct observation of workplace dynamics, interpersonal interactions, and organizational conditions influencing turnover decisions. Data analysis followed several steps: (1) data collection, (2) descriptive analysis, (3) theme identification, and (4) interpretation of key patterns and factors shaping turnover decisions.

Result

This study involved five former Generation Z employees from Elgaleri, aged between 19 and 25 years, with educational backgrounds ranging from high school to undergraduate level. Their employment duration varied between two months and one year. All participants had either decided to resign or seriously considered resignation, albeit for different reasons.

The individual cases highlight diverse motivations behind turnover decisions. Nindy Rysta (26 years old, born in 1999) resigned after five months due to unmet expectations of work life balance. Haniatun Nafiza (24 years old, born in 2001) left the company after six months, citing limited opportunities for professional development. Alicia Baby (20 years old, born in 2005) resigned after seven months, pointing to poor communication between supervisors and subordinates. Kurniawati (23 years old, born in 2002) also left after seven months, as she perceived her workload to be disproportionate to her earnings. Lastly, Jeanne Christin (25 years old, born in 2000) decided to resign after only one month, reporting that the work environment lacked adequate support. The descriptive analysis of interviews and workplace observations revealed seven key themes underpinning turnover among Generation Z employees at Elgaleri:

The Desire to Develop a Career Aligned with Passion

The interviews reveal that one of the primary drivers of turnover among Generation Z employees is the in-congruence between their professional roles and personal passions. Unlike previous generations who often perceived work as primarily an economic necessity, Generation Z tends to view employment as an extension of self-expression and a pathway to achieving long-term aspirations. Work that fails to resonate with their intrinsic interests or career goals is often perceived as misaligned, leading to diminished motivation and a gradual erosion of engagement.

From a theoretical perspective, this phenomenon can be interpreted through the lens of *self-determination theory*, which highlights the importance of intrinsic motivation in sustaining long-term commitment and performance. For Generation Z, career choices are strongly associated with the pursuit of *meaningful work* and opportunities for *self-actualization*. In this regard, turnover does not necessarily signify disloyalty to the organization, but rather represents a developmental stage in their search for professional identity and purpose.

This generational tendency underscores the importance of organizations adopting more proactive career management strategies. Specifically, companies should establish mechanisms for ongoing career dialogue, integrate individual passion mapping into talent management practices, and create pathways that accommodate employees' evolving interests. By aligning organizational roles with employees' intrinsic motivations, firms can not only reduce turnover but also foster a workforce that is more engaged, innovative, and committed to long-term organizational objectives.

Non Competitive Salary and Benefits

Interview data indicate that salary and benefits represent one of the most critical factors influencing turnover decisions among Generation Z employees. Many respondents expressed dissatisfaction with the perceived imbalance between their

workload and the level of compensation received. In addition, benefits such as performance incentives, meal allowances, and health coverage were viewed as inadequate compared to industry standards. Several respondents further emphasized the lack of transparency in salary adjustments and bonus distribution, which created perceptions of inequity among employees. These concerns are often amplified when competing firms offer more attractive compensation packages and comprehensive benefits, making external opportunities more appealing.

Theoretically, this phenomenon resonates with *equity theory*, which posits that employees evaluate fairness in compensation by comparing their input–output ratio to that of peers both within and outside the organization. When employees perceive inequity—such as heavier workloads without commensurate rewards—they are more likely to disengage and eventually exit the organization. Similarly, *expectancy theory* highlights that motivation is contingent upon employees' belief that their efforts will lead to valued outcomes. A lack of transparent reward structures undermines this expectancy, eroding both trust and commitment.

For Generation Z, competitive compensation extends beyond nominal salary levels to include a holistic evaluation of benefits, fairness, and transparency. This aligns with the *total rewards approach*, which suggests that employees are motivated not only by direct pay but also by the broader package of benefits, recognition, and career opportunities. Organizations that fail to meet these expectations risk higher turnover, particularly among younger employees who are highly mobile and responsive to market alternatives.

These findings underscore the need for organizations to adopt compensation systems that are both competitive and transparent. Establishing clear communication regarding salary structures, benefits, and performance-based rewards can mitigate perceptions of unfairness. Moreover, benchmarking compensation against industry standards and tailoring benefits to meet generational needs (e.g., flexible allowances, wellness programs, or learning subsidies) may enhance retention. By aligning compensation strategies with Generation Z's expectations, organizations can foster stronger employee commitment and reduce premature turnover.

Inflexible Work Environment and Lack of Work–Life Balance Support

Flexibility has emerged as a central value sought by Generation Z in the workplace. Interview data suggest that several employees at Elgaleri perceived their roles as overly demanding, particularly in terms of time, with limited opportunities to maintain a healthy balance between professional and personal life. Irregular schedules and the expectation to complete tasks beyond official working hours created a sense of diminished autonomy over their own time. Respondents clarified that their need for flexibility should not be misconstrued as a desire for leniency or reduced professionalism, but rather as a requirement for a more humane rhythm of work that sustains productivity and well-being.

High workloads combined with tight deadlines frequently compelled employees to extend their tasks beyond regular hours, including weekends. This practice compromised opportunities for rest, family interaction, and engagement in non-work activities,

thereby intensifying the strain on their mental and physical health. Several employees also expressed concerns that supervisors demonstrated limited awareness of the importance of work–life balance, resulting in organizational policies that inadequately supported employees' holistic well-being.

Theoretically, these findings align with the *job demands–resources (JD-R) model*, which emphasizes that excessive job demands coupled with insufficient organizational support lead to burnout and disengagement. Similarly, *boundary theory* underscores the importance of maintaining clear distinctions between work and personal domains; when boundaries are blurred through constant after-hours demands, employees experience increased stress and decreased job satisfaction. For Generation Z, who have grown accustomed to more dynamic and flexible working arrangements in the post-pandemic era, rigid organizational structures are particularly unattractive.

Consequently, inflexibility in work arrangements serves as a major catalyst for turnover among younger employees. This trend signals the need for organizations to adopt more adaptive practices, such as flexible scheduling, remote or hybrid work opportunities, and policies that acknowledge the importance of personal time. By integrating work–life balance into organizational culture, firms not only address generational expectations but also enhance long-term productivity, employee well-being, and retention.

Lack of Appreciation and Recognition from Supervisors

Interview findings revealed a recurring sense of disappointment among respondents regarding the lack of recognition or appreciation from their supervisors for their efforts and contributions. Despite working diligently or offering constructive input, employees reported that their achievements were often met with little or no acknowledgment. This absence of recognition fostered feelings of being undervalued, which directly undermined their work motivation. Generation Z, in particular, is characterized by a strong preference for continuous feedback and acknowledgment—whether through verbal affirmation, symbolic gestures, or small tangible incentives. While they may not necessarily expect grand praise, they seek affirmation that their presence and contributions matter within the organizational setting.

From a theoretical standpoint, this phenomenon can be linked to *recognition theory*, which emphasizes that acknowledgment serves as a critical source of motivation and identity affirmation in the workplace. Similarly, *social exchange theory* posits that when employees perceive a lack of reciprocity in the employer–employee relationship, their sense of obligation to remain committed weakens. Moreover, the absence of recognition constitutes a breach in the *psychological contract*, eroding trust and diminishing employees' emotional attachment to the organization.

For Generation Z, recognition is not merely symbolic but is tied to their sense of belonging and self-worth in a professional community. When recognition is absent, employees tend to feel detached, undervalued, and less emotionally invested in organizational goals. Over time, this disengagement becomes a precursor to turnover, as employees seek alternative workplaces that provide validation and opportunities for growth.

These insights underscore the importance of embedding recognition practices into organizational culture. Regular feedback mechanisms, acknowledgment of individual and team

contributions, and transparent appreciation systems can enhance motivation and strengthen the emotional bond between employees and the organization. By cultivating a culture of recognition, organizations can reduce turnover risk while fostering a more engaged and committed workforce.

Closed and One-Way Communication

Open and transparent communication constitutes a fundamental requirement in contemporary workplaces, particularly for Generation Z employees who are accustomed to interactive, two-way exchanges. Interview results revealed that many respondents perceived communication in their workplace as predominantly one-directional, flowing from supervisors to subordinates with limited opportunities for dialogue. Instructions were often delivered without sufficient explanation or contextualization, which resulted in confusion and a lack of clarity regarding assigned tasks. Such practices hindered understanding, reduced confidence in decision-making, and ultimately constrained employees' ability to grow within the organizational setting.

Generation Z employees articulated a strong preference for dialogic interaction in which they are not only recipients of directives but also participants who can safely voice opinions, questions, or concerns. Their expectation reflects broader cultural and generational shifts toward collaborative work environments where feedback is reciprocal and contributions are acknowledged. When communication remains strictly vertical and closed to feedback, both trust and workplace comfort decline. Over time, the absence of open dialogue fosters alienation and diminishes the perceived value of employees within the organizational structure.

From a theoretical perspective, this dynamic aligns with *leader member exchange (LMX) theory*, which underscores the importance of high-quality interactions between supervisors and subordinates in shaping trust, commitment, and job satisfaction. Furthermore, *communication climate theory* emphasizes that environments where dialogue is restricted tend to undermine motivation, while open climates foster engagement and innovation. In addition, the absence of two-way communication erodes *psychological safety*, the belief that individuals can speak up without fear of negative consequences, which is critical for learning and collaboration in modern workplaces.

In the context of turnover, one-way communication emerges as a powerful trigger. When employees perceive that their voices are neither heard nor valued, resignation becomes a rational strategy to seek a more supportive and communicative environment. This underscores the organizational imperative to cultivate inclusive communication practices such as regular feedback sessions, open forums, and participatory decision-making processes that enhance trust, foster belonging, and empower employees to contribute meaningfully. By institutionalizing transparent and dialogic communication, organizations can mitigate turnover risks while building resilient and adaptive workplace cultures.

Limited Opportunities for Innovation and Idea Development

Generation Z is widely characterized as a creative and exploratory cohort that values active involvement in generating new ideas, particularly within the workplace. However, interview findings revealed that several employees at Elgaleri perceived a lack of openness toward innovation, with their suggestions either disregarded or given little opportunity for consideration. Such

conditions created a sense of professional stagnation and limited avenues for growth. Employees reported feelings of dissatisfaction when their capacity to channel creativity was constrained, which over time fostered frustration and disengagement.

For Generation Z, the opportunity to experiment, innovate, and contribute meaningfully to organizational processes constitutes a central element of job satisfaction. The absence of such opportunities contradicts their intrinsic motivation to explore, create, and add value. From a theoretical perspective, this situation reflects shortcomings in the *innovation climate*, which refers to the extent to which an organization supports and rewards creativity. Similarly, insights from *self-determination theory* highlight that when employees are denied autonomy and opportunities for self-expression, intrinsic motivation diminishes significantly. In addition, the lack of innovation space restricts *job crafting*, or the proactive efforts employees make to redesign their work in ways that align with their strengths and passions.

In this context, turnover does not stem from employee incompetence but rather from the organization's inability to provide a supportive platform for innovation and professional growth. When employees perceive that their ideas are systematically undervalued, they are more likely to seek alternative workplaces that encourage exploration and offer greater developmental opportunities.

These findings emphasize the organizational imperative to cultivate a culture of innovation. Encouraging idea-sharing platforms, providing structured opportunities for experimentation, and rewarding creative contributions may not only enhance job satisfaction but also strengthen employee retention. By aligning organizational practices with the generational need for creativity and autonomy, firms can transform potential turnover triggers into drivers of engagement and long-term commitment.

Lack of Career Path and Promotion Clarity

Uncertainty regarding future career prospects emerged as another critical factor influencing turnover decisions among Generation Z employees. Interviews revealed that respondents expressed frustration over the absence of a transparent career trajectory or promotion system within the organization. Despite demonstrating strong performance, they were uncertain about the direction of their career progression or how their potential would be structurally recognized. For Generation Z, clarity of direction—both professional and personal—is essential. They seek assurance that their current contributions are meaningfully linked to long-term growth and advancement.

The lack of transparency regarding career structures, promotional opportunities, and evaluation systems gradually eroded employees' confidence in the organization. This perceived stagnation is particularly problematic for Generation Z, who place high value on continuous learning, skill development, and upward mobility. From a theoretical perspective, these findings align with *career development theory*, which emphasizes the importance of structured career pathways in sustaining employee engagement. Moreover, *psychological contract theory* suggests that when employees perceive a breach in implicit expectations—such as the promise of growth and advancement—their organizational commitment weakens. Similarly, *expectancy theory* posits that when employees do not see a clear link between their efforts and

potential rewards, their motivation to remain with the organization diminishes.

In the context of turnover, career uncertainty represents a powerful trigger for exit decisions. When employees perceive limited opportunities for advancement, they are more likely to seek alternative employers who provide transparent career development frameworks and credible prospects for professional growth.

For organizations, these findings highlight the necessity of designing and communicating clear career pathways. Establishing structured promotion criteria, transparent evaluation mechanisms, and mentorship programs can help address the generational demand for growth and recognition. By aligning career development systems with the aspirations of Generation Z, organizations can not only enhance retention but also foster a more motivated, future-oriented workforce.

This study examined turnover among five Generation Z individuals, born between 1997 and 2010, who had worked at Elgaleri for a minimum of three months. In-depth interviews revealed multiple factors that influenced their decision to resign, providing rich insights into the work expectations and motivational drivers of this generational cohort. The discussion below interprets these findings in relation to established theoretical frameworks, including Self-Determination Theory (SDT) and Job Embeddedness Theory (Mitchell et al., 2001), while integrating concepts from Psychological Contract Theory and the Job Demands–Resources (JD-R) Model.

A central finding of this study is the critical importance of *job–person fit*, or alignment between work roles and personal passions. Respondents Nindy Rysta and Jeanne Christin indicated that their turnover decisions were not motivated by interpersonal conflicts but by a misalignment between their tasks and the career trajectory they aspired to pursue. This observation aligns with SDT, which emphasizes the fulfillment of three basic psychological needs in the workplace: autonomy, competence, and relatedness. When work roles fail to satisfy these needs, intrinsic motivation diminishes, prompting employees to seek environments that better align with their values and personal goals. Generation Z, in particular, demonstrates heightened sensitivity to the meaningfulness of work, viewing employment as both a vehicle for personal development and a platform for self-expression.

Compensation and benefits also emerged as significant turnover determinants. Respondents reported dissatisfaction with salaries, incentives, and other benefits, which were perceived as inadequate relative to workload and industry standards. The lack of transparency regarding salary adjustments and bonus distribution further reinforced perceptions of inequity. These findings can be understood through *equity theory* and *expectancy theory*, which suggest that perceived imbalances in reward structures and unclear linkages between effort and outcomes undermine motivation and organizational commitment. For Generation Z, competitive compensation extends beyond base pay to encompass a holistic *total rewards* perspective, including tangible benefits, recognition, and opportunities for growth.

Work-life balance and flexibility were additional areas of concern. Informants highlighted rigid work schedules, high workloads, and after-hours demands as factors that disrupted personal time and led to stress. These experiences resonate with the

Job Demands–Resources (JD-R) Model, where excessive job demands coupled with insufficient resources contribute to burnout and disengagement. The post-pandemic generation values flexible arrangements that allow for autonomy over time and work rhythm, suggesting that traditional rigid schedules are increasingly misaligned with contemporary workforce expectations.

The study also identified a lack of recognition and appreciation from supervisors as a critical motivator for turnover. Generation Z employees place high importance on feedback, acknowledgment, and a sense of value within the team. From a theoretical standpoint, this aligns with *recognition theory*, *social exchange theory*, and *psychological contract* concepts. When contributions are overlooked, employees perceive a breach in their implicit contract with the organization, diminishing emotional attachment and increasing the likelihood of exit.

Communication patterns were another salient factor. One-way, top-down communication limited opportunities for dialogue, feedback, and participatory decision-making. This reduced trust, hindered professional growth, and created feelings of alienation. The findings are consistent with *leader–member exchange (LMX) theory*, *communication climate theory*, and *psychological safety* constructs, emphasizing the importance of open and reciprocal communication in fostering engagement and commitment.

Moreover, respondents emphasized limited opportunities for innovation and creative contribution. The absence of platforms to voice ideas or participate in problem-solving contributed to feelings of stagnation. The lack of an innovation-supportive climate undermined intrinsic motivation and constrained job crafting, reinforcing the desire to seek workplaces that offer autonomy, creativity, and professional development opportunities. *Self-determination theory* and *innovation climate theory* underscore the importance of such opportunities for sustaining engagement, particularly among creative and exploratory generations.

Finally, the absence of clear career paths and promotion structures exacerbated turnover risk. Respondents were uncertain about how their performance would translate into advancement, creating perceptions of stagnation. This aligns with *career development theory*, *psychological contract theory*, and *expectancy theory*, highlighting the necessity of transparent career frameworks that link current contributions to future growth prospects.

In synthesis, these findings indicate that turnover among Generation Z employees is a multifaceted phenomenon influenced by the interplay between individual aspirations, organizational practices, and job design. Misalignment between job demands and personal values, lack of resources such as recognition and development opportunities, and insufficient support for autonomy and work-life balance collectively shape the decision to resign. Organizations seeking to retain Generation Z talent must adopt a holistic approach that addresses both intrinsic motivators (e.g., meaningful work, autonomy, creative opportunities) and extrinsic factors (e.g., competitive compensation, transparent career progression, flexible arrangements). By integrating these insights into talent management strategies, firms can foster stronger engagement, reduce turnover, and cultivate a workforce aligned with contemporary generational expectations.

Generation Z tends to perceive work not merely as a source of income but as a platform for self-actualization and personal growth. Consequently, misalignment between job roles and career aspirations emerges as a strong predictor of turnover among this cohort. Their career orientation is notably more visionary and individualized compared to previous generations. Interview data from respondent Nindy Rysta illustrate this tendency: she reported experiencing job dissatisfaction due to the incongruence between her current tasks and her long-term interests and goals. This dissatisfaction prompted an evaluation of alternative employment opportunities that better aligned with her passions, ultimately leading to her decision to resign.

Mobley's turnover model posits that job dissatisfaction serves as a precursor to the intention to quit, a sequence clearly reflected in the responses of informants Haniatun Nafiza and Jeanne Christin. Both indicated that feelings of stagnation and limited professional development motivated them to either focus on continuing education or seek workplaces more supportive of their aspirations. In this study, the intention to leave was primarily driven by evaluative comparisons with alternative opportunities perceived to offer greater long-term value.

The findings further suggest that multiple turnover-related factors were suboptimal. Low job satisfaction arose from misalignment between tasks and individual passions, while weak organizational commitment was linked to the absence of clear career pathways. Limited social support, exemplified by one-way communication with supervisors, compounded these challenges. Opportunities for professional development were minimal, as reported by Alicia Baby and Kurniawati, who felt that their ideas were disregarded. These conditions reflect Price and Mueller's emphasis on the importance of a supportive work environment and recognition of employee contributions. In the current study, the lack of formal recognition systems and limited involvement in decision-making indicated low organizational support, which contributed substantially to the turnover decisions observed among Generation Z employees.

According to Herzberg's Two-Factor Theory, job satisfaction is influenced by two categories of factors: hygiene factors, including salary, organizational policies, working conditions, and relationships with supervisors, and motivator factors, such as achievement, recognition, meaningful work, responsibility, and opportunities for growth. From this theoretical perspective, turnover at Elgaleri appears to be predominantly driven by deficiencies in motivator factors rather than hygiene factors alone. Informants reported a lack of meaningful work, limited opportunities for development, and insufficient recognition from supervisors for their contributions. This aligns with complaints from Jeanne Christin and Kurniawati regarding the absence of innovation opportunities and acknowledgment of their efforts.

Nevertheless, hygiene factors also played a role. Extended working hours without adequate compensation and rigid, directive communication—rather than participatory and dialogic interactions—further undermined job satisfaction. The simultaneous absence of both motivator and hygiene factors resulted in low overall job satisfaction, making turnover a rational choice for Generation Z employees.

Generation Z places high value on continuous learning and perceives skill development as a critical investment in long-term career success. This decision reflects the long-term orientation of this cohort, which prioritizes professional growth and personal development over remaining in positions that do not support their vision.

Work flexibility and work-life balance were additional critical issues. Informants reported that high workloads and expectations to work beyond standard hours without clear compensation imposed considerable stress. Such work environments are misaligned with Generation Z values, which emphasize autonomy, flexibility, and the integration of professional and personal life. These findings reinforce prior research indicating that this generation prioritizes flexibility and meaningful engagement over financial stability alone, highlighting the need for organizations to adapt their practices to meet the expectations of emerging talent.

Lack of Autonomy, Recognition, and Meaningful Engagement

Limited control over work schedules and methods further exacerbated employees' sense of lacking autonomy, which, from the perspective of Self-Determination Theory (SDT), undermines both motivation and job satisfaction. When the work environment fails to provide space for autonomy and trust, employee loyalty is more likely to erode. Many informants reported that their contributions were inadequately acknowledged, whether through verbal appreciation or structural recognition. For example, Alicia and Kurniawati indicated that their ideas and suggestions were often disregarded, resulting in feelings of being undervalued.

Generation Z places a high priority on meaningful work and requires evidence that their presence and efforts make a tangible impact. When these needs are unmet, emotional attachment to the organization weakens. This finding also reflects deficiencies in *organizational justice*, a well-established predictor of employee retention. Limited involvement in decision-making processes and one-way communication from supervisors reinforced perceptions that their voices were inconsequential.

Based on these findings, it can be concluded that the primary challenges faced by Elgaleri in retaining Generation Z employees extend beyond salary or workload. Rather, they are rooted in psychological and structural factors related to meaningful work, opportunities for growth, and interpersonal relationships in the workplace. To address these challenges, organizations should implement strategies such as: establishing early career dialogues to ensure employees perceive clear and valued career trajectories; promoting two-way communication to actively solicit ideas and feedback rather than solely issuing directives; developing recognition systems, even in simple forms, to reinforce motivation and loyalty; creating opportunities for innovation and development projects to enhance the meaningfulness of work; and providing flexible work arrangements that respect work-life balance, enabling employees to maintain productivity without feeling constrained.

By implementing these measures, organizations can foster an environment that supports intrinsic motivation, strengthens organizational commitment, and aligns with the values and expectations of Generation Z, ultimately reducing turnover and enhancing long-term engagement.

The limited opportunities for career development can be understood through the lens of Herzberg's Two-Factor Theory (1966), which identifies growth and advancement as key motivator factors. According to this theory, opportunities for professional development, achievement, and skill enhancement are essential for fostering intrinsic motivation and job satisfaction. In the context of Elgaleri, the lack of clear career progression and developmental pathways represents a significant deficiency in motivator factors, contributing to employee dissatisfaction and, ultimately, turnover (Gochangco, 2024). When motivator factors are unmet, employees lose the drive to remain with the organization. This aligns with the study's findings, which indicate that the absence of meaningful work, recognition, and opportunities for growth significantly contributes to job dissatisfaction and turnover among Generation Z employees. (Saraiva & Nogueiro, 2025) hich underscores that career development serves as a key determinant of turnover among young employees. The lack of two-way communication further indicates challenges in the relationship between employees and management. According to the study (Le et al., 2023) kEffective communication is a critical component for enhancing employee engagement. The limited opportunities for dialogue lead Generation Z employees to feel undervalued, thereby increasing the likelihood of turnover. Additionally, inflexible work environments reinforce the principles of Work-Life Balance theory, highlighting the importance of accommodating employees' needs for autonomy, flexibility, and personal-professional integration. (Botezat et al., 2023) where Generation Z places high value on flexibility in managing both work and personal life. Rigid working conditions, in contrast, generate stress and reduce job satisfaction, ultimately prompting resignation decisions. These findings are also consistent with previous research (Anhar et al., 2025) which indicates that flexibility is one of the primary workplace expectations of the younger generation. Overall, the findings of this study contribute to the turnover literature by emphasizing that non-financial factors play a dominant role for Generation Z employees, particularly within small enterprises that often face limitations in human resource management systems. Consequently, organizations need to develop strategies that are more adaptive to the needs of younger employees, such as providing clear career advancement opportunities, fostering participative communication, and creating flexible and supportive work environments.

Conclusion and Recommendations

Conclusion

This study explores Generation Z employees' perspectives on turnover within the skincare industry. The findings indicate that turnover among Generation Z employees at Elgaleri is driven by interrelated internal and external factors, including misalignment between job roles and personal passions, limited career development opportunities, insufficient two-way communication, and inflexible work environments. These results highlight that Generation Z exhibits distinct work mindsets and expectations compared to previous generations.

Internal factors identified include a mismatch between job responsibilities and personal passions, lack of opportunities for skill development, and absence of clear career progression pathways. External factors encompass inflexible work arrangements, limited participatory communication, and

organizational cultures that do not sufficiently support work-life balance. The findings corroborate the relevance of Mobley's Turnover Model in explaining the psychological processes preceding resignation, where job dissatisfaction triggers the intention to seek alternatives, ultimately leading to turnover. Furthermore, the study reinforces Herzberg's Two-Factor Theory, suggesting that deficiencies in hygiene factors combined with the absence of motivator factors can significantly reduce organizational commitment.

Importantly, the study also highlights positive attributes of Generation Z that are often overlooked in turnover research, such as creativity, adaptability, innovation, and high digital literacy. Organizations that develop retention strategies designed to leverage these strengths can potentially mitigate turnover substantially. By aligning workplace practices with Generation Z's values-providing meaningful work, fostering open communication, supporting professional development, and creating flexible work environments-companies can enhance engagement and retain talent in a competitive labor market.

Recommendations

Based on the findings of this study, several practical recommendations can be proposed for organizations, particularly small enterprises, to retain Generation Z employees effectively:

Support Career Development Aligned with Employee Passions: Organizations should provide clear career pathways and development opportunities that enable employees to pursue roles aligned with their interests and long-term goals. This enhances intrinsic motivation and reduces the likelihood of turnover.
Enhance Two-Way Communication: Establish participative communication channels that allow employees to voice opinions, provide feedback, and contribute ideas. Open dialogue strengthens trust, engagement, and organizational commitment.
Implement Consistent Recognition Systems: Regular acknowledgment of employee contributions, both formally and informally, fosters a sense of value and belonging, addressing the need for appreciation highlighted by Generation Z.
Promote Work Flexibility and Work-Life Balance: Flexible scheduling, remote work options, and consideration of personal commitments can reduce stress, increase job satisfaction, and align with Generation Z's expectations for autonomy and balance.
Leverage Generation Z's Strengths: Encourage creativity, innovation, and digital competencies by providing projects and initiatives where employees can contribute meaningfully. Optimizing these strengths can enhance engagement and reduce turnover.
 By implementing these strategies, organizations can create a supportive and adaptive work environment that addresses both intrinsic and extrinsic motivators, ultimately improving retention and fostering long-term engagement among Generation Z employees.

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