

Examining Effects of Work Environment and Work-Life Balance towards Job Satisfaction among MNCs Millennials in Klang Valley during Covid-19 Pandemic Outbreak

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Keyword

Work Environment
Work-life Balance
Pandemic
Covid-19
Millennials
Job Satisfaction

ABSTRACT

The Millennial generation has a large employment advantage, making them one of the important players in the success of organisations and the economy. Based on their many characteristics, the millennial workforce presents a serious commitment issue for the organisation, which could impact employee satisfaction and the organisation's success. This study has been done to examine the effects of work environment and work-life balance towards job satisfaction among millennials in multinational companies during the COVID-19 pandemic outbreak. Descriptive and correlation analysis was conducted to get the results of the study. The results show the independent variables have a significant correlation with the dependent variables. The study's findings provide employers with information on the policies and procedures that may be employed to retain their Millennial workforce.

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INTRODUCTION

Many businesses have suffered huge losses and setbacks because of the pandemic, and to survive, they must make major adjustments. The COVID-19 issue has caused havoc on the world's workforce and forced whole industries to temporarily shut down. With businesses being forced to operate remotely in unstable and unpredictable settings, the COVID-19 outbreak has substantially impacted the working environment for employees on an unprecedented scale (Khor & Tan, 2022). According to the International Labour Organization (2021), 70% of small businesses and 80% of microenterprises were in serious financial trouble. Multinational corporations and those with global supply lines have been particularly exposed to the pandemic's severe impacts (Guedhami, Knill, Megginson, & Senbet, 2022). Moreover, depending on their sector, the global pandemic has affected businesses differently. A wide range of global economic and trade operations have been adversely affected by the coronavirus.

As was already indicated, the COVID-19 pandemic has negatively impacted the ability of many companies, especially to retain staff and boost future productivity. Retaining employees is still

important in today's struggling economy because it costs more for businesses to find and educate new employees (Alias, Rohmanan, Ismail, Koe, & Othman, 2018). The creation and implementation of policies in an organisation's human resource department directly affect how long employees stay with the company. Ensuring employees have a high or appropriate level of job satisfaction is one way to keep them on board because they are important resources for any company (Tatar, 2020). Job satisfaction is a crucial issue in any firm, whether in developed or undeveloped nations, and it is getting worse because of COVID-19 (JobStreet Covid-19 Job Report, 2020).

In 2025, more than half of the world's employment is expected to be made up of millennials (Bovis, Cardoso, Wright, & Gott, 2017). However, the retention rate of millennials, which causes a high turnover, is one of the biggest issues organisations face today (Othman et al., 2020). Millennials, otherwise known as Generation Y, are the generation that follows Generation X but precedes Generation Z. There is no set birth year that marks the start or conclusion of the millennial generation; instead, researchers choose dates from the early 1980s or the middle of the 1990s through the year 2000 (Rauvola, Rudolph & Zacher (2019). According to Puspitasari & Darwin (2021), organisations with Gen X and Gen Y employees need to consider measures to keep them on board. Work-life balance and workplace environment are given more consideration by the present generation of employees than the previous generation (Wolor, 2020; Hee & Rhung, 2019).

According to Ramli and Soelton (2019), a positive work environment can result in positive working relationships between employees and their coworkers, enabling them to support one another in finishing the tasks assigned to them. A positive work environment can also lead to improved job satisfaction, which will improve performance for the business. Business operations and the economy have been significantly impacted by the COVID-19 virus, necessitating a search for alternative business models utilising digital technology and remote connections, such as the adoption of Working from Home (WFH) programmes (Pamungkas, Budiono, Haryanto & Gunadi, 2023). Regardless of their readiness, the COVID-19 pandemic has forced many organisations to adopt work-from-home (WFH) practices including the millennials. Consequently, there is a blurring of the lines between working and non-working hours, which could influence employees' job satisfaction. WFH, however, may cause employees to lose motivation to work as a result of a number of issues, including a poor working environment, being distracted by social media and other forms of entertainment, and having to pay for electricity and Internet costs, which resulted in low job satisfaction.

Employees who feel they can balance their work and primary non-work commitments are said to have a healthy work-life balance. Work-life balance can be seen as a difficulty for an individual to balance the obligation to complete work and the responsibility to perform his role in the family, whereas from the perspective of the organisation, work-life balance becomes a difficulty in order to build a supportive work environment in which employees can focus on their accomplishments at work (Puspitasari & Darwin, 2021). Lack of work-life policies, on the other hand, exacerbated work-life conflict and had a negative effect on several organisational outcomes, including job satisfaction. Work-life policies can include employment instability, rigid and extended hours, and task overload (Chaudhuri, Arora, & Roy, 2020). An astounding 97 per cent of Malaysian millennials place importance on finding a work-life balance. A better-balanced work-life balance, which is something that most millennials aspire to in their professions, can be achieved with the help of flexible working hours (Tamilwanan, 2020).

Therefore, this study investigates the effect of employee working environment and employee work-life balance on MNCs millennials' job satisfaction in Klang Valley, Malaysia during the COVID-19 pandemic. The hypothesis development is as follows:

H1: Employee working environment has a significant relationship influence on MNCs millennials' job satisfaction during COVID-19 in Klang Valley, Malaysia.

H2: Employee work-life balance has a significant and positive relationship on MNCs millennials' job satisfaction during COVID-19 in Klang Valley, Malaysia.

RESEARCH METHOD

This study used a quantitative technique to conduct both descriptive and hypothesis testing, and non-probability sampling. This study adapted survey questionnaires used by previous studies. The

questionnaire for each of the variables was respectively adapted from Weiss, Dawis, England and Lofquist (1967); Hong, Hamid, and Salleh (2013), and Yusuf (2018) as a main component of the research instrument. The target respondents' information was gathered using the survey questionnaire. Individuals, specifically millennials employed by logistics MNCs in Malaysia's Klang Valley, serve as the unit of analysis for the respondents. Klang Valley was chosen for the population because it is home to numerous successful multinational companies, and the logistic sector was chosen because the COVID-19 pandemic has disrupted domestic and global supply chains due to border closures and travel restrictions.

The sample of this study was 174 respondents. In this study, purposive sampling was used. Purposive sampling, also known as judgement sampling, is the deliberate selection of a participant based on the participant's attributes. The non-random technique was also described as not requiring any underlying assumptions or a predetermined number of participants. In order to ensure that the respondents chosen for distribution of the questionnaire fit the target responder, the researcher selects certain individuals who meet the questionnaire's three primary criteria: (1) millennials; (2) employees of logistic MNCs; and (3) residents of Klang Valley, Malaysia.

The IBM Statistical Package for the Social Sciences (SPSS) Version 27 was used to acquire the results of descriptive analysis, Cronbach's Alpha reliability test, and Pearson Correlation.

RESULTS AND ANALYSIS

Respondents' Profile

Table I shows the respondents' demographic profile for this study. The total number of sample respondents is 174. Female respondents have a higher frequency number of 95 respondents which is 54.6%, followed by male respondents with a frequency number of 79, which is 45.4% of the total. Moreover, most of the respondents are in the age range between 26 to 30 years old, with 49.4%, followed by age between 36 to 41 years old, with 31%, and the least is age range between 31 to 35 years old, with 19.5% of the total.

Furthermore, the majority of the respondents have a bachelor's degree 63.2%, followed by respondents with STPM/ Diploma qualifications, 19%, followed by respondents with Master Degree qualifications, with 11.5%, followed by respondents with PhD qualification, with is 2.9%, followed by respondents with SPM qualification, 2.3%, and the least is respondents with Professional qualification, with the frequency of 2 people, which is 1.1% of the total respondents. Referring to the profile of job tenure of respondents. Most of the respondents' job tenure is 7 years and above, with the frequency of 65 people, which is 37.4%, followed by 1 to 3 years, with 28.7%, followed by 4 to 6 years, with 20.7%, and the least is below 1 year, with the frequency of 23 people, which is 13.2%.

Table I. Respondents' Demographics Profile

| Demographic Variables | Descriptions | Frequency | Percent (%) |
|-----------------------|----------------------------|-----------|-------------|
| 1. Gender | Male | 79 | 45.4 |
| | Female | 95 | 54.6 |
| 2. Age | 26-30 | 86 | 49.4 |
| | 31-35 | 34 | 19.5 |
| | 36-41 | 54 | 31.0 |
| 3. Educational Level | SPM | 4 | 2.3 |
| | STPM/Diploma | 33 | 19.0 |
| | Bachelor's degree | 110 | 63.2 |
| | Master's degree | 20 | 11.5 |
| | PhD | 5 | 2.9 |
| | Professional Qualification | 2 | 1.1 |
| 4. Job Tenure | Below 1 year | 23 | 13.2 |
| | 1-3 years | 50 | 28.7 |
| | 4-6 years | 36 | 20.7 |
| | 7 years and above | 65 | 37.4 |

Reliability Analysis

Cronbach's Alpha is displayed in Table II below as it was analysed. Cronbach Alpha is a reliability coefficient that demonstrates the consistency of a group of items significantly correlates with one another. The result shows that all Cronbach alpha values are acceptable.

Table II. Reliability Analysis

| Variable | Cronbach's Alpha, α | N of Item |
|------------------------------|----------------------------|-----------|
| Employee Working Environment | 0.924 | 9 |
| Employee Work-Life Balance | 0.929 | 15 |
| Job Satisfaction | 0.943 | 20 |

Correlation Analysis

Table III. Pearson Correlation Analysis

| | Employee Work Environment (p-value) | Employee Work-Life Balance (p-value) | Job Satisfaction (p-value) |
|------------------------------|-------------------------------------|--------------------------------------|----------------------------|
| Employee Working Environment | - | - | 0.649** |
| Employee Work-Life Balance | - | - | 0.463** |

***. Correlation is significant at the 0.01 level (1-tailed)*

The result of this analysis has indicated that all the independent variables have significant correlation with the dependent variable, job satisfaction, whereby the significant value for each variable is less than 0.01 level ($p < 0.01$). Additionally, the result of this study showed that all the independent variables are positively related to the dependent variable. The correlation coefficient (r) value for the independent variables which are employee working environment, employee financial rewards, employee non-financial rewards, and employee work-life balance with the dependent variable of job satisfaction is respectively show strong correlation with p-value; 0.649** and 0.463*. Therefore, it is proven that H1 and H2 are accepted in this study.

CONCLUSION

The primary priority for managing an organisation is the working environment. A positive work environment gives workers a sense of security and enables them to perform at their best. The findings indicated a positive correlation between work environment and job satisfaction. Another study came to the same conclusion: physical working circumstances, social working conditions, safe working conditions, and economic working conditions are all correlated with job satisfaction. It is feasible to help an organisation achieve its goals by offering the best working conditions and facilities. (Taheri, Miah & Kamaruzzaman, 2020).

Work-life balance is a critical topic in human resource management that significantly affects employee performance and productivity. Aligned with this study, according to Hasan and Teng (2017), work-life balance issues, such as organisational policies dictating flexible working hours, are substantially correlated to job satisfaction. Furthermore, having a healthy work-life balance is critical for enhancing employee job satisfaction, retaining employees, and lowering absenteeism (Soomro, Breitenecker & Shah, 2018). In comparison to previous generations, millennials regard labour differently. As a result, they give quality of life a much higher priority than financial gain in their job values. They could believe that there is more to life than just getting paid (Tirta & Enrika, 2020).

The study's findings pointed to the need for more understanding of the factors that influence Millennials' job satisfaction. These findings offer the required business implications. It provides organisations with information on the policies and methods that may be used to keep their Millennial workforce. Some regulations, like those relating to working condition, home-based work, flexible working hours and paternity leave, might be taken into consideration.

Numerous shortcomings in this study can be resolved in subsequent research. It is recommended that in the future this study will be conducted in other parts of Malaysia as well as to increase the sample size. The research also can be expanded by adding more variables. Additionally, it is also recommended to perform qualitative analysis to gain more insights on the study.

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