Millennial Generation Optimizing Organizational Commitment with Internal Communication

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Abstract

The research focusing on expanding scientific studies to see the effect of internal communication by checking employee's perception in keeping the company internal symmetric communication for maintaining the commitment to the company. This research further discuss about the organization casual commitment relationship, internal communication, meaning of works and work engagement. The method conducted in this research is through survey with descriptive approach. Causal modeling or relations and cause, or known as path analysis is the model used for this research. SEM (Structural Equation Modeling) with SMARTPLS 3.0 program. The direct effect from exogen variable to the endogen will be analyzed through the Partial Least Square. Research said that there is a positive and significant influence of internal communication to colleague, organization commitment and meaning of works. Furthermore, meaning of works is giving a positive influence and significant to organization commitment and work engagement. The outcome of this research can be used as reference and information for developing knowledge, specifically in the field of human resource management in developing theory in organizational commitment.

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INTRODUCTION

Gallup, an international institution of analytic, in 2016, stated that 21 percent of the millennials change their jobs. The percentage far exceed the non-millennials with triples the number. Half of the millennials also stated that they don't want to stay at their current job. There are many reasons for millennials to change their job, unsatisfied with the salary, undeveloped skills, even to life priorities (Ervina, 2020). The millennials are considered as the most strategic constituent in the organization (Grunnig, A, E, & Dozier, M, 2002; Kang & Sung, 2017). They are one of the most critical functionaries because they are the strongest and maybe the one that openly criticize an internal policy if it did not fulfill their expectation (Waters, Bortree, & Tindall, 2013). The tendencies of the millennials worker to move to a different organization may become troublesome, since it requires a big fee to recruit and give practices for the new employee. Internal communication is often seen as one of the best ways for employees to participate in an organization.

However, as many as 65 percent of the millennial generation feel insecure with direct social interaction (Kompas.com). This condition is certainly worrying. Because the key to a person's success both personally and career is being able to communicate with the people around him. If the communication ability is low, it is likely that there will be a misunderstanding of meaning in the delivery of the message. In 2016, the industrial sector experienced rapid growth of 8.98%, especially the Visual Communication Design (DKV) sub-sector of film, animation, video, performing arts and TV, radio (Merdeka.com). Creative industry employees are required to be able to improve their communication visualization skills. If the visualization skills performed by employees, especially in terms of poor communication, it will have an impact on many things. If the visualization skills performed by employees, especially in terms of internal communication, it will have an impact on many things. One example of this employee will have difficulty in self-actualization and the employee’s work engagement will also decrease. In addition, it can also lead to ineffective communication between employees and the erosion of employee psychological capital which results in reduced meaning of work for employees.

Internal communication is part of an integral in a workplace and a fundamental determinant for an organization to succeed. Among the many benefits of an effective communication is to create a synergy, which is a unity of goal between employees and the organization (Mitchell, 2015). Internal communication is commonly mistaken as a synonym for intra-organization communication, and is often equal with employee communication (Verčič & Sriramesh, 2012). Internal communication covers all messages that have been sent and received in an organization whether in informal or way (Hasugian, 2017).

In the context of organization, internal communication, both relational and informational, deliberates to make messages, where the receiver and interpretation can follow. With this, the relations between the sender and receiver can be disconnected (Hayase, 2009). Operationally, internal communication can be defined as an exchange of communication either informal or formal between management and employee in an organization through technology and system which used to send and receive messages (Balakrishnan & Masthan, 2013). In this research, researcher defines internal communication as structural exchange of communication whether in formal or informal way between management and employee that happen in the organization. The communication can cover up to bulletin, discussion materials, surveys, emails, and survey box.

Employee’s work engagement have been a daring issue in human resource management to manifest a goal of an organization (Lockwood, 2007). Hoole and Bonnema (2015) adduce a concept of connection between manifestations from “present in workplace” that requires a certain mental condition. According to Schaufeli, Bakker and Salanova (2006) the engagement can be defined as: “positive, fulfill, work condition that related with vigor, dedication and absorption”. Engagement can also be seen from the mind condition and didn’t focus on object, event, individual or certain behavior (Trofimova & Miliutina 2017). The aspect of power and work engagement is categorized by a high mental and energy during work, by willingness to invest on someone’s work and by persistence even in hindrance (Park & Gursoy, 2012). In this research, researcher defines work engagement as a condition where an employee is part of an organization, who holds a good role in physique, knowledge, and emotion that interpret work as something important and who has a sense
of responsibility to finish it.

Understanding the meaning of work is often difficult to understand and implement. This is because there are still not many employees who have the same view of the meaning of work. Employees still do not understand the meaning and value of work, do not have work orientation and do not have alignment between expectations and work values. If employees do not have meaning to work, it will affect their commitment. Because the alignment between employees and their work is an important factor. This line of thinking has been empirically supported by Xanthopoulou (2009) who found that engaged employees are highly efficient, have higher expectations of generally experiencing positive outcomes in their lives (optimistic), and believe that they can satisfy their needs by participating in roles within the organization (self-esteem-based organization). In addition, according to Luthans, F., Avolio, B., Avey, J.B., & Norman (2007), the meaning of work fosters hope for more success, optimism and greater confidence in their abilities; finally, they are committed to work.

Organizational commitment has appeared as a promising research field with the study of psychology of industry or organization in recent times. The previous researchers believe that organization commitment reflects one side of reciprocal relationship between the employer and employee, thus each has to play their part. (Adebayo, 2006; Agu, 2015; Brown, 2003). Powell & Meyer (2004) explained that organizational commitment tends to involve in “consistent activity” and adduce that it grows when “that persons feel that they are involved in the organization, basically making a bet in their life and able to raise boundaries to their future”. Another opinion from Henkin & Marchiori (2003), organizational commitment is defined as an employee’s psychological power in organization or number of interests owned by the employees regarding their job (Meyer & Allen, 1991). An individual with a high organizational commitment will choose to stay in there, not because of the obligation to stay, but the will. An individual with strong commitment to the organization will act loyally and significantly increase their productivity (Shamaa, 2015; Deepa, 2014). In this research, the researcher defines organizational commitment as an act and strong will from the employee to stay in the organization and attempt to help the organization reach its goal.

Several studies became the basis for this research, namely the influence of internal communication on meaning of work (Cheney et al., 2017), internal communication on organizational commitment (Smidts, 2001), internal communication on work engagement (Hargie, 2009), meaning work on organizational commitment (Stringer, C., & Boverie, 2007) meaning of work on work engagement (Shahnawaz dan Hassan, 2009), and work engagement on organizational commitment (Miliutina, 2017).

The novelty value of this research is that researchers are interested in examining organizational commitment to the millennial generation or it can also be called the generation of superior human resources of productive age, because the research that has been described previously is generally carried out in a varied age range, not focused on one generation only. In addition, this research not only focuses on one sector of the creative industry but also tries to expand the scientific studies to see the effect of internal communication by checking on how the employee’s perception is in striving the company’s internal communication for a commitment to the company. Next, this study also wants to explore more on the effect of internal communication, meaning of works and employee work engagement to organization commitment. The urgency of this research for the millennial generation is to increase the organizational commitment of millennial employees to the creative industry which is currently considered low.

METHOD

1. Data Analysis

The purpose of the data analysis method is to interpret and draw conclusions from the collected data. This study will use the Smart-PLS software to process and analyze research data through the causal method. The researcher will carry out the inner model, outer model and hypothesis testing (Hair et al, 2010).
2. Measures/Scale

This study will use two data sources, which are primary data and secondary data. The former will be collected through a questionnaire either given directly to the respondents or through online. The respondent data is then collected by the researcher through questionnaire distribution to 200 people who work in the creative industry sector. Creative industry employees who are vulnerable to enter the millennial generation phase that is currently at the age of 20-35 are selected as sample criteria of the study.

Organizational commitments presented in this section are research instruments that are adapted by (Albashiti, 2017; Trofimov et al. 2017; Walden et al. 2017) whilst internal communication presented is also a research instrument adapted by (Hayase, 2009). The work engagement described in this section is a research instrument adapted by (Caesens & Stinglhamber, 2014; Hartog & Belschak, 2012; Schaufeli & Bakker, 2004) whereas meaning of work described is a research instrument adapted by (Babcock-Roberson & Strickland, 2010; Hou et al. 2011; Wilmar B. Schaufeli et al. 2006; Steger, 2011). To fill each statement, the Likert scale model 5 alternative answers has been provided. Each answer is 1 to 5 (strongly agree, strongly disagree) according to the level of the answer.

RESULTS AND DISCUSSION

1. Outer Model

An indicator is said to be valid when its loading factor is above 0.5 against the intended constructs. Output of SmartPLS for loading factors is provided as follows:

![Figure 1. Outer Model](source: Data processed with SmartPLS by Author)

The figure 1 means that there is a relationship between the indicator and its structure. The expected indicator is more than 0.7, if it does not show the loading value then the indicator does not 
work in measurement mode (Hair et al, 2010). Based on the calculation of the outer model, all indicators have a value > 0.7, so it can be said that all indicators used in this study are valid.

Table 1. Results of Reliability and Validity Test

<table>
<thead>
<tr>
<th></th>
<th>Cronbach's Alpha</th>
<th>Composite Reliability</th>
<th>Average Variance Extracted (AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal Communication</td>
<td>0.942</td>
<td>0.951</td>
<td>0.685</td>
</tr>
<tr>
<td>Meaning of Work</td>
<td>0.949</td>
<td>0.956</td>
<td>0.685</td>
</tr>
<tr>
<td>Organizational Commitment</td>
<td>0.956</td>
<td>0.961</td>
<td>0.671</td>
</tr>
<tr>
<td>Work Engagement</td>
<td>0.951</td>
<td>0.957</td>
<td>0.651</td>
</tr>
</tbody>
</table>

Source: Data processed with SmartPLS by Author

The next analysis is construct reliability by using note the values of Composite Reliability (CR), Cronbach's Alpha (CA) and Average Variance Extracted (AVE). If the CR value is more than 0.7, CA is more than 0.7 and the AVE value is more than 0.5, the construct will be said to be reliable.

2. R-Square

R-square model I = 0.710, it means that the ability of Internal Communication (IC) construct in explaining the Meaning of Work (MOW) is 71% (strong). R-square model II = 0.724, it means that the ability of Work Engagement (WE), Internal Communication (IC), and Meaning of Work (MOW) construct in explaining the Organizational Commitment (OC) is 72% (strong). R-square model III = 0.730, it means that the ability of Internal Communication (IC) and Meaning of Work (MOW) construct in explaining the Work Engagement (WE) is 73% (strong).

3. Hypothesis Test

The value of the greatest influence in this study is the influence of internal communication on the meaning of work. Internal communication relates to organizational values, effectiveness of work relations, decisions and supervision. Therefore, it is important for organizations to build an
Effective internal communication in order to increase the meaning of work for employees (Cheney et al. 2017; Zorn, T. E., & Taylor, 2004).

Based on the research that has been conducted, empirical conclusions can be drawn through argument, statistical data processing, interpretation and analysis of the data described in the previous chapter. The researcher can thus conclude that internal communication has a positive and significant effect on work engagement (H1). Better communication from the company executives is related to better bonding from the employees, especially the millenial generation. Tourish and Hargie (2009) argue that there is also a relationship between internal communication (based on accurate information, trust and interaction, and actual job satisfaction).

Next, work engagement has a positive and significant effect on organizational commitment (H2). This matter corresponds with the previous research that has been conducted by Miliutina (2017), which examines the organizational commitment factor is seen from the role of employee work engagement. This article provides a detailed analysis of the phenomenon of job engagement and describes it as a significant influenced factor at the level of organizational commitment. The results of this study shows that the strongest connection among all these factors is between organizational commitment and work engagement. Therefore, the more millennial employees who feel attached to a job it is, the higher level of organizational commitment they have.

The third hypothesis (H3) Internal communication has a positive and significant effect on organizational commitment. Internal communication is an exchange of information either in informal or formal way between the management and the employee in an organization through the technology and systems that used to send and receive messages. Smidts, Pruyn and van Riel (2001) has conducted research to investigate the effect of internal communication on organizational commitment. The impact of internal communication that is applied to the company, as well as the company’s external perceptions, can identify the millennial employee commitment to the organization.

Internal communication has a positive and significant effect on the meaning of work (H4). Previous research that was conducted by Cheney et al. (2017) contains the expansion of organizational communication knowledge, especially internal communication through consideration of the meaning of work, including the meaningful work. Cheney argues that communication perspective on work is different from the sociological and psychological perspectives, which are more familiar. Communication in organizations is oriented towards meaningful internal communication work and social welfare that are felt by the employees. Internal communication is related to organizational values, the effectiveness of working relationship, and supervision. Therefore, organizations need to build effective internal communication to increase the meaning of work for millennial employees who are known to have a lack of confidence to interact directly (Cheney et al. 2017; Zorn, T. E., & Taylor, 2004).

Furthermore, the meaning of work has a positive and significant effect on organizational commitment (H5). Employees use the meaning to improve their psychological resources with a higher dedication so that they show the work engagement (Ahmed, Majid, & Zin, 2016; Nawaz, Abbas Bhatti, Ahmad, & Ahmed, 2018; Olivier & Rothmann, 2012). Also, Geldenhuys et al. (2014) stated that there is a positive relationship between the meaning of work, work engagement, and organizational commitment to employees in South Africa, and Beukes et al. (2013) examined the same thing with nurses at a hospital in South Africa. The results of this study indicate that millennial employees who perceived their work as meaningful work, are significantly able to take advantage of themselves to work with higher energy, wiser efforts and thus increase their work engagement.

Finally, the meaning of work has a positive and significant effect on Work Engagement (H6). In the research of Nawaz, Abbas Bhatti, Ahmad, & Ahmed, (2018); Olivier & Rothmann (2012), they figured out that employees consider work important to develop their engagement at the workplace. This study underlines those millenial employees have used work engagement to increase their psychological resources and work; thus, high work engagement is shown by higher dedication and commitment.
CONCLUSIONS AND SUGGESTION

The research focusing on expanding scientific studies to see the effect of internal communication by checking employee’s perception in keeping the company internal symmetric communication for maintaining the commitment to the company. This research found that there is a positive and significant influence of internal communication to colleague, organization commitment and meaning of works. Furthermore, meaning of works is giving a positive influence and significant to organization commitment and work engagement. The outcome of this research can be used as reference and information for developing knowledge, specifically in the field of human resource management in developing theory in organizational commitment.

This research is expected to add references and information for practitioners in the field implementation by referring to the results of this research. In addition, the results of this study are expected to provide benefits and be used as a reference or input for respondents who are employees (millennial generation) in the creative industry. If the next researcher wants to take the same variables, then it is suggested improving the quality of further research by perfecting the results of this study and previous research. Further researchers can increase the number of samples, focus on one type of creative industry cluster and change the object of research if it can affect the results of the study.

REFERENCES


Hair et al. (2014). *on Multivariate Data Analysis*.


