The Effect of Employee Engagement on Intention to Stay of Gen Z Sd/Mi Teachers in Srono District

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Abstract

Generation Z is often known as a dynamic and mobile generation. However, a different phenomenon is seen among Gen Z teachers in SD/MI in Srono sub-district, who show a high desire to stay in their profession. This study tries to dig deeper into the factors that drive such loyalty, focusing on the role of employee engagement and how job satisfaction and organizational commitment become a bridge that strengthens their intention to stay. A quantitative approach was used in this study through the distribution of questionnaires and data analysis using Structural Equation Modeling (SEM-PLS) techniques. The results show that teachers' engagement in their work (employee engagement) has a positive and significant influence on intention to stay, directly with $\beta = 0.750$. Overall, the model was able to explain 55.8% of the variation in teachers' intention to stay. The findings provide an important message that when teachers feel valued, engaged and supported by their work environment, they will grow into educators who are able to stay with their institutions.

Keywords: employee engagement, intention to stay, gen z teachers, SEM-PLS.

1. Introduction

Teachers have a strategic role in improving the quality of education through the implementation of an effective teaching and learning process. In accordance with Law No. 20/2003 on the National Education System, teachers are expected to develop the abilities and skills of students to improve their quality of life (Law of the Republic of Indonesia, 2003). Therefore, the presence and continuity of competent educators is the key to ensuring the quality of education. One indicator of the success of human resource management in the educational environment is intention to stay, which is the desire of teachers to remain in the institution where they work. Intention to stay is defined as an individual's desire to stay in the organization where he works (Stamolampros et al., 2020). In the context of education, teachers' intention to stay is a strategic issue because the continuity of educators has a direct effect on the stability and quality of education services. Factors that influence intention to stay include job satisfaction, conducive work environment, work-life balance, and emotional attachment to the organization.

One important approach to increasing intention to stay is through increasing employee engagement. Saks (2006) explains that employee engagement includes the emotional, cognitive, and behavioral attachments of individuals to their jobs and organizations. Individuals who feel involved in their work tend to have higher job satisfaction and loyalty to the organization. Therefore, strengthening work engagement is an effective strategy to reduce turnover rates and increase teacher retention, especially among Generation Z teachers. Generation Z teachers are a group born between 1997 and 2012 who have unique characteristics, such as an orientation towards work flexibility, a need for recognition of achievement, and a strong desire for continuous improvement. They tend to have high expectations of the work environment and organization (Ng & Feldman, 2010). If these expectations are not met, then work engagement tends to decrease, which results in low intention to stay in the profession. Therefore, it is important for educational institutions to understand the factors that influence employee engagement and its implications for Gen Z teachers' intention to stay.

The Job Demands-Resources (JD-R) model developed by Bakker and Demerouti (2008) asserts that the balance between job demands and work resources will affect employee well-being and engagement. When teachers feel that they have sufficient resources, such as social support and development opportunities, they will be more motivated and show high engagement. This will have a positive impact on the intention to stay in the teaching profession. Robinson et al. (2004) stated that effective communication, teamwork, and work-life balance are important elements in shaping

work engagement and loyalty to the organization. Teachers who feel valued, given room to grow, and have meaning in their work will be more likely to have the intention to stay. Conversely, low engagement is often associated with a desire to leave the profession. The phenomenon of rising resignation rates among young teachers in Indonesia reinforces the importance of this issue. A report from the Ministry of Education, Culture, Research and Technology (MoECristek, 2023) shows a 20% increase in the last five years in young teacher resignations. However, the results of a preliminary study in Srono sub-district showed that 66.7% of Generation Z primary school teachers expressed a desire to stay. This phenomenon suggests that there are local factors that support intention to stay, which should be explored further, especially regarding the role of employee engagement.

Based on this description, this study aims to examine the effect of employee engagement on the intention to stay of Generation Z teachers at SD/MI in Srono Sub-district. It is hoped that the results of this study can make a theoretical contribution to the development of human resource management science in the education sector, as well as offer practical recommendations for the sustainable and adaptive management of young teachers to the characteristics of the new generation.

2. Methods

Employee engagement

Employee engagement is a form of employees' physical, cognitive, and emotional attachment to their work and organization (Kahn, 1990; Saks, 2006). Engaged employees not only complete tasks functionally, but also show dedication, focus, and high enthusiasm in carrying out their work (Schaufeli & Bakker, 2020). Luthans and Peterson (2002) emphasized that this kind of engagement is born from trust in colleagues and the organization, and reflects employees' ability to express themselves positively. Truss et al. (2013) added that employee engagement also strengthens the relationship between employees and organizations through trust, participation, and meaningful work experiences. However, a Gallup report (2023) noted that post-pandemic, engagement levels tend to decline due to a mismatch between organizational promises and realities, such as work flexibility and employee well-being. Therefore, employee engagement is a strategic factor that needs to be managed holistically to increase productivity and long-term loyalty.

Intention to Stay

The concept of intention to stay refers to the extent to which individuals have the desire to continue working in the organization to which they belong (Zeffane, 1994; Chen et al., 2020). Ajzen (1980) states that this intention is part of an individual's rational decision which is influenced by attitudes, subjective norms, and behavioral control. In an organizational context, intention to stay is closely related to long-term commitment, job satisfaction, and perceptions of career development (Liu et al., 2021). Hewitt (2004) asserts that emotional and psychological attachment to the organization is an important foundation for an individual's decision to stay. Therefore, understanding the factors that shape intention to stay is key in workforce retention strategies, especially in the education sector.

Z generation

Z generation, individuals born between 1995 and 2010, is a digital generation that grew up with technology and the internet (Grail Research, 2011). This generation is characterized as a group that is tech-savvy, multitasking, expressive, and used to communicating quickly through social media (Cristiani & Iksari, 2020; Effendi et al., 2021). They tend to value flexibility, freedom, and speed in accessing information, while having sensitivity to social and environmental issues. In the world of work, Z generation shows a preference for organizations that are able to provide space for self-development, recognition, and values that are in line with their identity (Rachmawati, 2021). Therefore, in the context of education management, it is important to tailor approaches to the needs and characteristics of this generation to strengthen their engagement and intention to stay as educators.

Population

The population in this study is all elementary school and madrasah Ibtidaiyah (MI) teachers, both public and private, who are actively teaching in Srono Sub-district and belong to Z generation, namely individuals born between 1997 and 2012. Based on the preliminary data obtained, the total population that met these criteria was 147 people. The population was selected based on age

characteristics relevant to the research focus, namely employee engagement and intention to stay in the profession among young teachers.

Sample

Samples in this study were taken using non-probability sampling techniques with a purposive sampling approach, namely sampling techniques based on certain criteria determined by the researcher (Sugiyono, 2013). The sample criteria in this study are:

1. Teachers born in 1997 to 2012 (Z generation)
2. Have at least one year of teaching experience.
3. Status as an honorary teacher (not ASN PNS or ASN PPPK).
4. Willing to voluntarily fill out the questionnaire completely and honestly

The sample size was determined using the Slovin formula (Ulber, 2017) with a precision level of 5% and a population of 147 teachers. The calculation is as follows:

$$n = \frac{N}{(Ne^2) + 1}$$

Thus, the minimum number of samples used in this study was 107 teachers.

Data Analysis Technique

Data analysis was carried out using the Structural Equation Modeling - Partial Least Squares (SEM-PLS) method, which was chosen because it was able to handle models with latent indicators and a small sample size. Data processing was carried out with the latest version of SmartPLS software. The stages of analysis include:

1. Outer Model Testing:
   a. Convergent validity (AVE > 0.5)
   b. Construct reliability (Cronbach's Alpha & Composite Reliability > 0.7)
   c. Discriminant validity (HTMT ≤ 0.9)
2. Pengujian Inner Model:
   a. R-square (R^2) to see the predictive power of the model
   b. The significance test of the relationship between variables using bootstrapping
   c. Path coefficient
   d. Goodness of Fit (GoF): SRMR, NFI, dan d_ULS
3. Interpretation of Results:
   The relationship between employee engagement and intention to stay is tested based on the t-statistic value. (t > 1.96 for α = 0.05) dan p-value.

Operational Variables

To measure the variables in this study, researchers used instruments that had been developed based on relevant theories and previous research. Each variable is translated into measurable indicators and operationalized in the form of statements in a questionnaire. The instrument is structured using a five-point Likert scale, where respondents are asked to express their level of agreement with each statement, ranging from 1 (strongly disagree) to 5 (strongly agree). The details of the operationalization of each variable can be seen in the following table:

Variable	Operational Definition	Dimensions / Indicators	Sumber	Skala
Intention to Stay (Y)	Measuring teachers' intention to stay in the organization.	1. Desire to stay in the organization	Allen & Meyer (1990)	Likert 1–5
		2. Loyal to the organization		
		3. Long-term intention not to change jobs		
Employee Engagement (X)	Measures teachers' emotional, cognitive, and physical engagement with their work.	1. Vigor	Schaufeli & Bakker (2004)	Likert 1–5

Variable	Operational Definition	Dimensions / Indicators	Sumber	Skala
		2. Dedication		
		3. Absorption		

Table 1. Operational Variables

Based on the description above, the research hypothesis proposed is H1: Employee engagement has a positive and significant effect on the intention to stay of Z generation teachers in SD / MI Srono District.

3. Results and Discussion

Analisis pengukuran dan model struktural

The analysis was conducted using SmartPLS version 4 software, which applies the variance-based Partial Least Squares (PLS) and Structural Equation Modeling (SEM) methods. PLS is a technique used to analyze the relationship between variables in complex models, while SEM is used to test the cause-and-effect relationship between the variables involved. Figure 1. This is the conceptual framework that will be analyzed in this study.
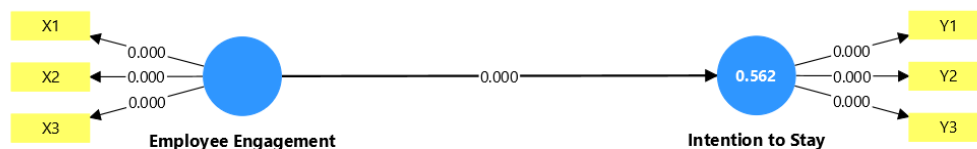

Figure 1. the conceptual framework
Source : Data Processing 2025

Researchers conducted confirmatory factor analysis (CFA) to test the measurement model. This test aims to ensure that the instruments used to measure latent variables have good validity and reliability. There are three main types of testing in this model, namely Convergent Validity, Discriminant Validity, and Construct Reliability. Convergent Validity is measured using loading factors where indicators are considered valid if they have a correlation value above 0.70 or 0.6 is considered sufficient. In addition, testing is done by looking at the AVE value where the variable is said to be valid if it has an average variance extracted (AVE) value> 0.5. Furthermore, Composite Reliability (CR) is used to measure Construct Reliability, which ensures the internal consistency of the indicators that make up the variable. CR value ≥ 0.7 is considered to meet research standards. Details of item loading along with AVE values and composite reliability are given in Table 2.

Construct	Item	Factor Loading Range	Composite Reliability	AVE
Employee Engagement	3	0.883 – 0.931	0.895	0.680
Intention to Stay	4	0.831 – 0.923	0.935	0.743

Table 2. Reliability and validity of the instrument.
Source: Data Processing 2025

Discriminant validity was assessed using the Fornell and Larcker (1981) approach. Fornell-Larcker is used effectively to check whether the constructs in the PLS model have good discrimination. If √AVE is greater than the correlation value in the same row, the statement is Valid while if √AVE is not greater than the correlation value in the same row, the statement is Invalid. The detailed results are given in Table 3, which fully comply with Fornell and Larcker's (1981) discriminant validity criteria.

Construct	Employee Engagement	Intention to Stay
Employee Engagement	0.907	
Intention to Stay	0.750	0.892

Table 3. Constructs' discriminant validity.
Source: Data Processing 2025

According to Wiyono (2020), there are seven main indicators that can be used to assess the level of fit (goodness of fit) of a measurement model, namely the chi-square value, discrepancy - Unweighted Least Squares (d-ULS), discrepancy - Geodesic Distance (d-G), standardized root mean squared residual (SRMR), Goodness of Fit (GoF), Q^2 Predictive Relevance (Q^2 PR). In addition, this study also used the Normative Fit Index (NFI) to provide an additional assessment of the overall fit of the measurement model and structural model. The results showed that the goodness of fit evaluation of this model had a good fit with the data. The SRMR value of 0.069 is well below the maximum acceptable limit, indicating adequate fit between the observed covariance matrix and the model. The d-ULS (0.10) and d-G (0.093) indicators, both of which exceed the minimum threshold of 0.05, indicate that the model has no significant deviations and is close to the ideal structure. Although the Chi-Square value of 65.118 exceeds the table value, the model is still declared fit because the model structure is able to adequately explain the relationship between variables. The NFI value of 0.857 falls into the near-optimal category, while the GoF of 0.672 far exceeds the minimum threshold of 0.36, confirming the excellent global fit of the model. Furthermore, the predictive relevance Q^2 value of 0.550 (Intention to Stay) indicates that the model has a strong predictive ability of latent variables, so it is suitable for use in hypothesis testing. Details of the measurement and structural models are given in Table 4.

GoF Measures	SRMR	d-ULS	d-G	Chi-Square	NFI	GoF	Q^2 PR
Recommended value	< 0.10	> 0.05	> 0.05	$\geq \chi^2$ tabel	~1	≥ 0.36	≥ 0.35
Structural Model	0.069	0.10	0.093	65.118	0.857	0.672	0.550

Table 4. Model fit measures.
Source: Data Processing 2025

Hypothesis testing in this study was carried out using the Structural Equation Modeling (SEM) approach, which allows simultaneous analysis between latent relationships in structural and measurement models (Hair et al., 2019). The validity of each hypothesis is determined through the significance value of the path parameter estimates obtained. This study set a significance level of 0.05, as commonly used in inferential analysis (Kline, 2016). A significant path coefficient indicates that there is a strong and statistically relevant relationship between the latent independent and dependent variables, which means that the proposed hypothesis has sufficient empirical support and is acceptable (Ghozali & Latan, 2015). Thus, the results of this test are the main basis for evaluating the theoretical and practical contributions of the relationship between variables in the research model. Details of the main hypothesis and sub-hypotheses can be seen in Table 5.

Hypothesis	Constructs	Estimate	Critical Ratio	P values	F square	Decision
H1	EE -> ItS	0.750	10.350	0.000	1.282	Supported

Table 5. Result of hypothesis testing.
Source: Data Processing 2025
* EE = Employee Engagement, ItS = Intention to Stay

The results of this study indicate that Employee Engagement has a significant role in determining the Intention to Stay of gen Z teachers. Employee Engagement is shown to have a highly significant positive influence on customer satisfaction, with a coefficient of 0.750, a T-statistic value of 10.350 (>1.96), and a P-value of 0.000 (<0.05). This shows that the higher the level of teacher engagement at work, the greater their intention to stay in the school where they teach. In addition, Employee engagement by looking at f square is 1.28. This is a large value, which indicates that employee engagement has a large influence on intention to stay. Employee engagement has a significant impact in increasing employees' intention to stay.

The findings of this study show that non-financial forms of recognition such as trust, moral support, and providing opportunities to demonstrate abilities have a significant impact on building young teachers' loyalty. In the context of Z generation teachers, most of whom are in an unstable economic situation, these forms of recognition become a very valuable social currency. They interpret their involvement in school activities not just as an additional task, but as a form of appreciation for their capabilities and potential. When young teachers are entrusted with extracurricular activities, involved in curriculum development or given leadership roles in school programs, they feel

personally and professionally recognized. These experiences encourage a strong emotional attachment to the institution where they work.

This condition strengthens the concept of work engagement as proposed by Kahn (1990), which states that employee engagement arises when individuals feel safe, meaningful, and have the availability to express themselves fully in work roles. Firmansyah and Rahayu's study (2022) also found that young teachers tend to have higher levels of intention to stay when they feel heard, trusted, and involved in decision-making at school. This suggests that loyalty is not only shaped by financial incentives, but also by a socially inclusive and supportive work climate. In the context of this study, engagement based on trust and active involvement was shown to correlate with increased intention to stay. This means that the higher the level of recognition and participation young teachers feel, the greater their loyalty and desire to stay in the profession. Thus, creating a work environment that supports active participation and empowerment is an important strategy in strengthening the retention of young teachers in primary education institutions.

4. Conclusion

This study aims to analyze the effect of employee engagement on intention to stay among Z generation teachers at the elementary and madrasah Ibtidaiyah levels in Srono District. Through the Structural Equation Modeling approach based on Partial Least Squares (SEM-PLS), the results show that employee engagement has a positive and significant influence on intention to stay. This finding indicates that the higher the level of teachers' involvement in work emotionally, cognitively, and physically, the greater their tendency to stay in the educational institution where they work. Thus, increasing employee engagement is an important strategy in building the loyalty and retention of young teachers, especially from Z generation, who highly value the meaning of work, recognition, and active participation in the work environment.

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