

Turnover Within The Millennial Generation In Palm Oil Companies

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Abstract – The aim of this research is to find out turnover rate within millennial generation in palm oil companies. This research use survey model with 509 millennial generation employees in one of Oil Companies in Province Riau (Indonesia) chosen with total sampling technique. The data is analyzed with descriptive statistical and One Way Anova. The result shows that turnover rate within millennial generation in palm oil companies is 5,304%. This conclusion can be used as a guide to further explore and give intervention in order to decrease turnover rate in millennial generation employees.

Keywords – Turn Over.

I. INTRODUCTION

Employees are valuable assets for the company in carrying out activities to achieve the company's vision and mission. The workforce in 2020-2035 is predicted to be dominated by Generation Y or Millennials who are estimated to be born in 1980-1994. The Millennial Generation has a work-life balance motto, namely, a generation that prioritizes solidarity, mutual satisfaction, and the existence of social appreciation. The Millennial Generation also grew up with mature equality values and human rights, thus affecting their attitude which is considered more democratic [8], however the Millennial Generation has a dominant desire to change jobs, if their expectations are not met in work. This tendency is influenced by their high self-esteem and self-confidence [1] [7]. The Integrity Indonesia Survey [4] shows that only 25% of millennial employees claim to be fully involved with the company, while another 75% state that they are not fully involved, thus potentially contributing to the company's turnover rate. These employees then have the potential to become new talents sought by other companies if the company is not able to retain them [4]. Oil palm plantations have high labor-intensive technology, which absorbs workers from various skill backgrounds [3]. The 2015 PASPI (Palm Oil Agribusiness Strategic Policy Institute) study noted that the number of workers absorbed by palm oil companies reached approximately 3.3 million workers. Palm oil companies are an industry that continues to grow in Indonesia today and absorbs an increasing workforce. In 2017, the estimated total area of oil palm plantations reached 12,307,677 hectares, an increase of more than 9,000% of the total land area in 1970 [2]. Palm oil companies that have labor-intensive technology in production activities need human resources as a productivity driver in the field, so it is important for companies to know the turnover rate in order to be able to set strategies for retaining employees, especially the millennial generation who in the future will dominate the workforce.

II. OBJECTIVES AND METHODS

The purpose of this study was to examine turnover rate within millennial generation in palm oil companies. The study was conducted on 509 millennial generation employees using total sampling. The research data was obtained through the following statistic turnover rate formula [6] :

$$LTO_n = \frac{\sum I_n}{\sum L_n} \times 100$$

LTO_n : Year Turnover Rate n

$\sum I_n$: Total Turnover Employee in Year n

$\sum L_n$: Total Employee n

The data analyze with statistical descriptive and One Way Anova.

III. RESULT AND DISCUSSION

The results of this study were 27 millennial generation employees has left the company over the year from 509 millennial generation employees from the oil palm companies at Province Riau and The statistic calculation of turnover rate result was 5,304%. According to turnover rate we can conclude that 2 or 3 millennial generation left the company once a month.

According to Integrity Indonesia [5] the turnover rate in a company is said to be high if it reaches more than 10% in a year, by the article we can conclude that number of 5,304% was a low turnover rate.

IV. CONCLUSION

This research lays out the descriptive assesment about millennial generation employees in one of Oil Companies in Province Riau (Indonesia). The result shows that 27 millennial generation employees that left the company over the year shows low turnover rate of the company, the result can conclude that oil palm company 5,304% turnover rate then this is show low turnover rate because the number less than 10% [5]. This result can be used as a guide to further explore why this company has low turnover rate and the further explain can be basic of strategic to prevent the turnover.

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