

## The Effect of Work Engagement on the Performance of Generation Z Employees

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### ABSTRACT

The purpose of this study is to determine the impact of Work Engagement on the productivity of millennial and Gen Z workers. This study is quantitative and uses a descriptive correlational strategy. The purpose of this data collection is to examine the relationship between research variables. There were 96 respondents from Generation Z (those aged between 18 and 28 years) who filled out the questionnaire used to collect data. The data were analyzed using basic linear regression. With a significance value of 0.000 (<0.05) and a coefficient of determination of 54.9%, the analysis shows that when the level of employee engagement increases, performance also increases. It can be concluded that the correlation between Work Engagement and performance is linear. This study strengthens the idea that the level of engagement of Gen Z workers with their work is directly correlated with their productivity in the current workplace. Therefore, efforts to increase the productivity of Generation Z workers must consider their level of engagement in the workplace.

**Keywords :** Work Engagement, Employee Performance, Generation Z, Work Engagement, Productivity

### INTRODUCTION

Generation Z, born between 1996 and 2012, has now entered productive age and become a dominant part of the Indonesian workforce. According to the 2020 Population Census by the Central Statistics Agency, this generation comprises 27.94% of Indonesia's total population, or approximately 74.93 million people. Growing up in an era of technological advancement, Generation Z is known as an innovative, adaptive, and intelligent generation in utilizing technology (Simbolon & Nasution, 2024). This characteristic provides a great opportunity for companies to increase competitiveness by optimizing the potential of this generation (Reginald et al., 2024). However, on the other hand, they also have unique traits such as a lack of teamwork and a tendency to move from one job to another. These challenges require companies to be more careful in understanding and managing employees of this generation to maintain organizational stability while maximizing their potential..

Generation Z's performance issues are evident in their high turnover rates. Forbes, on September 2, 2021, noted the phenomenon of The Great Resignation, a mass resignation among Gen Z ers during the pandemic. According to a 2021 Adobe Survey, of 5,500 Gen Z respondents aged 18–24, 56% planned to change jobs. Surveys by Microsoft and Bankrate support this finding, with 54% and 77% of respondents considering leaving their jobs, respectively. This phenomenon raises organizational concerns about reducing turnover

intention, as high resignation rates not only lead to talent loss but also high costs for training and recruitment (Wibowo et al., 2024).

Work productivity is a measure of efficiency in converting inputs into valuable outputs. In the context of employees, productivity reflects the ability to produce maximum output using minimal resources within a given time period. According to (Alwazan et al., 2023). Work productivity is not only measured by the quantity of output, but also by the quality of work results, the efficiency of time use, and the ability to meet organizational targets. The formation of performance productivity is influenced by several interrelated key factors. Based on research, (Febiola et al., 2025). These factors include individual competence, a supportive work environment, the availability of adequate technology and equipment, an effective management system, and work motivation. Furthermore, work motivation and work engagement also play a significant role in determining the level of work productivity, (Hidayah et al., 2021).

*Work engagement* has a positive correlation with employee performance productivity. According to a study conducted by (Yao et al., 2022). Employees with high levels of work engagement demonstrate greater dedication to completing tasks, greater focus at work, and consistent work ethic. When employees feel engaged in their work, they tend to produce high-quality output and demonstrate initiative in addressing work challenges. Dima (2023) revealed that only 25% of employees in Indonesia exhibit high levels of work engagement, while 69% are disengaged, and around 6% are actively disengaged and disengaged from their work. Another study conducted by Shabrina & Mardiawan in Suhaini (2024) found that 30% of employees have high levels of work engagement, while the remaining 70% have low levels of work engagement. These findings indicate that many employees still lack adequate work engagement in their jobs, (Dima et al., 2024).

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However, the level of work engagement in Indonesia is still relatively low. Dima (2024) revealed that only a small percentage of employees actually have high levels of work engagement, while the majority are at low levels. This finding is also supported by research by Shabrina and Mardiawan in (Yuniasanti, 2024). This indicates that the majority of employees do not yet have optimal work engagement. This low engagement certainly impacts the performance of Generation Z employees, who tend to require a flexible, supportive, and impactful work environment.

Gallup research (2024). shows that work engagement among Gen Z employees in developed countries like the United States has experienced a significant decline, with engagement levels dropping 5 points since 2020 and disengagement rates reaching 14%, primarily due to mismatched work-life balance expectations and work flexibility. In contrast, a study of Gen Z employees in Indonesia showed more stable engagement and performance levels through job satisfaction, with competency development and transformational leadership as key priorities. These contextual differences indicate that the antecedents of work engagement and their

impact on Gen Z performance differ significantly between Indonesia and abroad. Therefore, this comparative study is needed to identify appropriate management strategies for each context (Madhevedi et al.,2025).

*Work engagement* become an important factor in supporting the performance of Generation (Madyanatri & Izzati, 2021) Work engagement reflects the extent to which an employee feels enthusiastic, focused, and engaged with their work. Research by Dhaniswari (2024) found that low levels of work engagement among Generation Z are often caused by a lack of company support, monotonous tasks, or an uninspiring work environment. This results in decreased productivity and an increased desire to leave the job. By creating a supportive work environment, companies can increase employee work engagement and, ultimately, drive better performance.

Based on the results of initial interviews with three Generation Z employees in several companies, the informants stated that they experienced various challenges at work. Initially, they were enthusiastic when they joined the company, but over time their work enthusiasm began to decline due to several factors such as the still traditional work system, lack of flexibility, and difficulty achieving work-life balance. The informants also said they faced obstacles in effective team coordination, high workloads with inadequate system support, and suboptimal feedback and mentoring. Several informants expressed that they felt "less connected with the team," "bored with the routine," and considered the existing system "too rigid" and "old school." This situation indicates the importance of conducting further research on the influence of work engagement on the performance of Generation Z employees to be able to provide recommendations for improvements that are in accordance with the characteristics of this generation.

## **METHODS**

This study uses correlational descriptive quantitative research, where the main objective of the study is to determine the relationship or influence of work engagement and work-life balance on the performance of generation Z employees. This study will measure the relationship between these variables using a relevant statistical approach. This design was chosen because it allows researchers to describe the characteristics of phenomena that occur in the context of the work of generation Z employees and to test the causal relationship between variables. The sample is part of the number and characteristics of the population. If the population is large and researchers cannot study all existing populations due to limitations of manpower, funds and time, then researchers can use samples taken from that population. The sampling technique used is purposive sampling, which is a sample determination technique with certain considerations. The criteria used in this study are: (1) Employees who are included in Generation Z (born 1997-2012). (2) Have worked at least 1 year in the company. Thus, the minimum number of samples needed in this study is 96 respondents.

(Sari et al.,2025) states that data collection techniques are the most strategic step in research, because the main objective of research is to obtain data. The data collection methods used in this research are: (1) Questionnaire: Data collection technique carried out by giving a set of written questions or statements to respondents to answer. (2) Observation: Data collection technique by conducting direct observation of the research object. (3) Literature Study: Data

collection through books, journals, articles, and other literature sources relevant to the research. The collected data were analyzed using descriptive statistics to systematically and objectively interpret the influence between work engagement and work-life balance on the performance of generation Z employees. Each item is assessed using a 5-point Likert scale with the following categories: SS = Strongly Agree S = Agree KS = Less Agree TS = Disagree STS = Strongly Disagree. For score interpretation, the total score range can be categorized as Agree, Strongly Agree, and Disagree based on the average score obtained, with a Disagree score  $<3$  categorized as low, a Strongly Agree score 3 categorized as medium, and an Agree score  $>3$  categorized as high.

## RESULTS AND DISCUSSION

This study involved 96 participants on the influence of work engagement and work-life balance on the performance of Generation Z employees. All participants were active employees from various industrial sectors in Indonesia and had worked for at least one year. This study used quantitative descriptive correlational research, where the main objective of the study was to determine the relationship or influence of work engagement and work-life balance on the performance of Generation Z employees. The characteristics of the participants in this study included aspects of Vigor, Dedication, and Absorption. Of the total 105 participants, there were significant ones for the variables of work engagement and employee performance, respectively, were 0.085 and 0.078, according to the results of the normality test using the Kolomogorov-Smirnov method. Because both numbers are greater than 0.05, it can be said that the research data follows a normal distribution. So, the data is ready for the next step, namely parametric statistical analysis in table 1.

**Table 1. Normality Test Results**

<b>Vaeiabel</b>	<b>Significance Value</b>	<b>criteria</b>	<b>information</b>
<i>Work Engagement</i>	0.085	$>0.05$	Normally distributed
Employee performance	0.078	$>0.05$	Normally distributed

*Work engagement* is an important factor in supporting the performance of Generation Z (Madyaratri & Izzati,2021). Work engagement reflects the extent to which an employee feels enthusiastic, focused, and engaged with their work. Research by (Nilam et al.,2026) found that low levels of work engagement among Generation Z are often caused by a lack of company support, monotonous tasks, or an uninspiring work environment. This results in decreased productivity and increased desire to leave the job. By creating a supportive work environment, companies can increase employee work engagement and, ultimately, drive better performance. (Dima et al.,2024). The tolerance for the work engagement variable is 1.000, and the VIF value is 1.000. Since the tolerance value is greater than 1.000 and the VIF value is less than 10, it can be said that the regression model does not exhibit symptoms of

multicollinearity. Therefore, it appears that the regression model can handle the additional data in Table 2.

**Table 2. Multicollinearity Test Results**

<b>Variables</b>	<b>Tolerance</b>	<b>VIF</b>	<b>Information</b>
<i>Work Engagement</i>	1,000	1,000	There is no multicollinearity

The results of the simple linear regression test showed a correlation value (R) of 0.744. This figure indicates a strong relationship between work engagement and performance. Furthermore, with an R-squared value of 0.549, employee engagement in the workplace explains 54.9% of the performance variance. Motivation, job satisfaction, work environment, leadership style, and other characteristics beyond the scope of this study explain the remaining 45.1%.

**Table 3. Results of Simple Linear Regression Analysis Test**

<b>Model</b>	<b>R</b>	<b>R Square</b>	<b>Percentage of influence</b>	<b>Information</b>
<i>Work Engagement</i>	0.744	0.549	54.9%	Strong relationship

Employee performance

The t-test results for the work engagement variable showed a t-value of 10.806 at a significance level of 0.000. Gen Z workers' productivity is positively and significantly influenced by their level of engagement at work, as the significance threshold is lower than 0.05. Employee performance increases by 3.699 units for every one-unit increase in work engagement, according to a regression coefficient of 3.699. Thus, the null hypothesis of the study that there is no correlation between Gen Z workers' level of engagement with their work and their productivity is proven true.

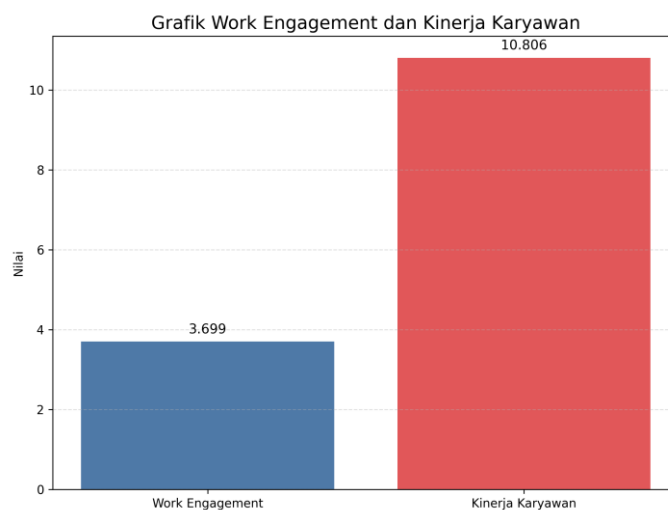
**Table 4. Results of Hypothesis Test / t-Test**

<b>Variables</b>	<b>Regression Coefficient</b>	<b>t count</b>	<b>Sig</b>	<b>Information</b>
<i>Work Engagement</i>	3,699	10,806	0,000	Positive and significant impact

Employee performance

Based on the analysis of work engagement and employee performance, a positive relationship was found between the level of work engagement and employee performance. The higher the

level of work engagement, the better the employee's performance. To clarify the relationship between work engagement and employee performance, Figure 1 is presented.



**Figure 1. Comparison of work engagement scores and employee performance based on the results of research analysis.**

Based on the Work Engagement and Employee Performance graph, it can be seen that employee performance scores are higher than work engagement. A work engagement score of 3.699 indicates that employee engagement is in the fairly good category. Meanwhile, an employee performance score of 10.806 indicates that employees are capable of carrying out their work duties and responsibilities well. These results indicate that higher employee engagement tends to improve their performance. Therefore, work engagement has a positive influence on improving employee performance within an organization.

## CONCLUSION

The results of this study indicate that work engagement has a positive relationship with the performance of Generation Z employees. However, interpretation of these results requires greater caution and proportion. This study used only a simple linear regression analysis with one independent variable, work engagement, so the results cannot fully explain the factors that influence employee performance as a whole. Although work engagement has been shown to contribute to improving employee performance, there are still various other factors outside the research that have the potential to influence work performance, such as burnout, job satisfaction, leadership style, organizational culture, work motivation, and the work environment. These factors have not been analyzed in this study, so the results cannot be used to conclude that work engagement is the sole determinant of employee performance. In addition, the coefficient of determination value shows that there is still a percentage of influence from other variables that were not studied on employee performance. This indicates that work performance is a complex phenomenon and is influenced by a combination of various psychological, organizational, and social aspects. Therefore, the results of this study should be understood as evidence of the relationship and contribution of work engagement to employee performance, not as a form of absolute cause-and-effect relationship. Thus, further

research is expected to add other variables to obtain a more comprehensive understanding of the factors that influence the performance of Generation Z employees.

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