

RETAINING GENERATION Z WORKERS: STRATEGIES FOR SMALL AND MEDIUM ENTERPRISES IN NGHE AN PROVINCE, VIETNAM

Le Quang Phuc, Nguyen Thi Luu, Nguyen Thi Bich Lien, Tran Thi Hoang Mai
Faculty of Economics, School of Economics, Vinh University, Nghe An, Vietnam

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***Correspondence:**
hoangmaikkt@gmail.com

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This study investigates the factors influencing Gen Z employees' turnover intention. The author collected data by surveying 315 employees working in small and medium-sized enterprises (SMEs) in Nghe An province. Descriptive statistics and regression analysis were employed to analyze the collected data. The study's results indicate that five key factors affect Gen Z employees' turnover intention: (1) salary and compensation policies, (2) organizational commitment, (3) working conditions, (4) workplace relationships, and (5) job pressure. Based on these findings, the study proposes several solutions to help SMEs improve employee retention and reduce turnover.

Keywords: Decision to quit; Gen Z workers; small and medium enterprises.

1. Introduction

Approximately 2.6 billion people globally belong to Generation Z (Gen Z), representing about one-third of the world's population. According to the General Statistics Office in Vietnam, the working-age Gen Z population (15-24 years old) was roughly 13 million in 2019. By 2025, Gen Z is projected to comprise one-third of Vietnam's working-age population, significantly impacting the domestic labour market. Born and raised in the age of technological advancement, Gen Z possesses distinct perspectives and needs compared to previous generations. Their career aspirations often surpass those of Gen Y. This means that once Gen Z employees perceive they have mastered the challenges of their current roles, they are inclined to seek opportunities with more significant developmental potential.

Dr. Hoang Ngan, Director of the Fireway Center for Human Resource Development and Career Guidance, observes: “Gen Z workers prioritize meaningful work aligned with their values. They value learning opportunities and expect a flexible, technology-integrated work environment. This presents both opportunities and challenges for businesses.”

Gen Z will constitute a significant portion of the nation's workforce in the coming years. However, a persistent challenge with Millennials (Gen Y) and Centennials (Gen Z) is their tendency towards low job loyalty. A 2024 Deloitte survey of 8,373 Millennials and 14,468 Centennials revealed that over 60% of Gen Z respondents are prepared to leave their jobs within two years, a significantly higher percentage than previous generations. Consequently, businesses are facing difficulties in establishing a stable, long-term workforce.

2. Theoretical basis

2.1. Concepts, characteristics

** Turnover Intention*

Turnover intention is a clear expression of an individual's voluntary and permanent decision to leave an organization. It can also be defined as an employee's desire to leave their current organization and seek alternative employment or its intent to leave their present job. While various definitions exist, this study conceptualizes turnover intention as an employee's deliberate thought or plan to exit the organization voluntarily. This intention is influenced by adverse psychological effects stemming from COVID-19, job satisfaction, organizational commitment, and employee performance. Turnover intention is a strong predictor of actual turnover, with increased intention correlating to higher rates of job abandonment. Employee turnover can be voluntary or involuntary. The organization initiates involuntary turnover, whereas voluntary turnover is employee-driven. This study focuses on voluntary turnover, as reflected by employee turnover intention. Turnover intention can significantly hinder an organization's ability to achieve its objectives, potentially diminishing innovation, reducing service quality, and negatively impacting the morale of remaining employees.

** Concept and Characteristics of Gen Z labour*

What is Gen Z?

Gen Z is the demographic cohort that follows Gen Y and precedes Gen Alpha. This cohort comprises individuals born between 1997 and 2012. As the first generation raised with ubiquitous internet access and digital technologies, Gen Z has grown immersed in digital and electronic devices. Gen Z was first introduced in a September 2000 article in Advertising Age. In addition to Gen Z, this generation is referred to by various other names, including iGen, Gen Tech, Zoomers, and digital natives.

Characteristics of Gen Z workers

Stability and Ambition: While Gen Y is often labelled the “job-hopping generation,” Gen Z exhibits a somewhat reduced tendency for frequent job changes. Although Gen Z values novelty, they prioritize stability in their lives and careers, often demonstrating longer tenures with employers than Millennials.

However, Gen Z's career aspirations are notably higher than those of Gen Y. When Gen Z employees feel they have mastered the challenges of their current roles, they are inclined to seek new opportunities that offer more significant developmental potential. This explains their intense attraction to the challenging and dynamic startup environment.

Driven by a desire for career advancement, Gen Z places significant emphasis on career development pathways within a company. When choosing between an internship that offers growth opportunities and a higher-paying job, Gen Z often prioritizes long-term career prospects, with a significant majority opting for the internship. Therefore, HR managers seeking to attract and retain Gen Z talent should focus on providing tangible value beyond mere profits. A clear and attainable career path, quality training programs, and stimulating challenges will foster greater loyalty among this generation.

Flexibility and Independence: Like Millennials, Gen Z values flexibility in workplace policies. Prioritizing work-life balance, Gen Z requires businesses to address their needs genuinely. Implementing flexible working hours, promoting remote work, and respecting personal time are essential for attracting and retaining Gen Z employees.

Research indicates that Gen Z employees perceive flexible working hours and remote work options as conducive to comfort, enhanced work performance, and maximized creativity and productivity. Furthermore, Gen Z emphasizes privacy and personal space within the work environment. An ideal workspace should offer both collaborative and private work areas. Clear role definitions and designated spaces for various activities, such as personal calls or group meetings, are also appreciated. A diverse and inclusive environment that embraces individual differences is highly valued.

Connection: Gen Z seeks equality in the workplace, preferring collegial relationships over hierarchical structures. They aim to dismantle the traditional “superior-subordinate” dynamic, believing in the limitless potential of human connection. Despite being a technology-driven generation, Gen Z values direct, face-to-face communication over virtual interactions, prioritizing efficiency in problem-solving.

Connection and feedback are paramount to Gen Z. They desire continuous feedback on their work, as constructive contributions enable them to improve performance and ensure they are on the right track.

Gen Z also highly values diverse workplace connections, with a significant majority recognizing the importance of working with individuals from diverse educational backgrounds, skill levels, and cultures. Fostering inclusivity across the organization, rather than just within teams, satisfies their desire for learning and growth. Diversity enhances a company's appeal to Gen Z and is crucial to employee retention strategies.

Recognition: Recognition for Gen Z extends beyond acknowledging results and efforts; it also encompasses valuing their opinions and ideas. Despite being a young workforce, Gen Z possesses a modern, global mindset and can contribute proactively to organizational development. To boost morale and retain Gen Z, employers should demonstrate respect for their opinions and ideas, encourage them to propose solutions, and appreciate their unique perspectives.

** Concept of small and medium enterprises*

Small and medium-sized enterprises (SMEs) are businesses characterized by their limited capital, workforce, or revenue. Based on the scale, SMEs are categorized into micro-enterprises and small and medium-sized enterprises.

According to the World Bank's (WB) criteria, micro-enterprises employ fewer than 10 people, small enterprises have between 10 and 200 employees with a capital of VND 20 billion or less, while medium-sized enterprises employ between 200 and 300 people with a capital ranging from VND 20 to 100 billion.

Different countries have their criteria for defining SMEs. For instance, South Korea establishes varying criteria based on industry: for manufacturing, mining, and construction, enterprises must have fewer than 300 employees and investment capital under USD 600,000; for the trading sector, enterprises must have fewer than 20 employees and USD 500,000 for retail, and USD 250,000 for wholesale. Japan's criteria for manufacturing enterprises stipulate fewer than 300 employees and USD 1,000,000 in the capital; for wholesale enterprises, 100 employees and USD 100,000 in the capital; and for retail and service businesses, 50 employees and USD 100,000 in capital. Meanwhile, Thailand focuses solely on the number of employees, classifying enterprises with 200 or fewer employees as SMEs. In Vietnam, currently, according to Decree No. 80/2021/ND-CP dated August 26, 2021 of Vietnamese Government, SMEs are defined explicitly as: "Business establishments that have registered to conduct business by the law, divided into three levels: micro, small, medium, according to the scale of total capital (total capital is equivalent to total assets determined in the enterprise's balance sheet) or the average number of employees per year (total capital is the priority criterion). Consequently, there are notable differences in the classification of SMEs across various countries and industries, particularly between enterprises in the trade and service sectors and those in other sectors.

2.2. Factors affecting the intention to quit of Gen Z employees in small and medium enterprises

**** Salary regime and benefits policies***

Salary regimes and benefits policies are regulations and policies that companies and organizations apply to pay salaries, bonuses, and benefits to employees. These regimes include basic salary and other components such as bonuses, insurance benefits, vacation days, training programs, and other benefits designed to encourage, motivate, and retain employees. Studies indicate that employees seek alternative job opportunities when salaries and benefits, such as health insurance, vacation time, year-end bonuses, or other company-provided benefits, are not sufficiently attractive or lower than those offered by competitors. A Feldman and Ng (2007) study found that employees in companies with inadequate benefits have higher turnover rates. Similarly, competitive salaries and comprehensive benefits enhance foreign workers' sense of security and reduce their likelihood of quitting. Furthermore, a perceived sense of fairness in compensation is strongly correlated with job meaning. When employees feel they are not treated equitably or are not paid a salary commensurate with their efforts, they may leave their jobs in pursuit of better opportunities.

Companies must ensure their employees' stable material and psychological well-being, thereby facilitating achieving their work goals. Compensation extends beyond the mere salary employees receive and encompasses many factors influencing their satisfaction and commitment to the organization. Individuals can negotiate desired additional benefits and meticulously evaluate the benefit packages of different companies before making a job decision. Businesses need to implement competitive and appropriate benefits to attract and retain talent. When a business provides optimal benefits for its employees, they will be more inclined to dedicate their skills and contribute to attaining the business's collective goals. This, in turn, will contribute to

improved product quality, sustained operational stability, and the attraction of experienced human resources. Gen Z workers frequently seek career development and learning opportunities. They desire a clear path to advancement within their roles. Small businesses should establish training programs and mentorship initiatives and create environments where employees can participate in personal development projects. The absence of these elements can lead to discouragement and an increased intention to quit. Gen Z employees often harbour high-income expectations and frequently compare salaries among companies. A company will readily explore other employment options if it fails to offer reasonable and competitive salaries.

Benefits encompass health insurance and other perks such as vacation time, educational support, and mental health programs. Small businesses cannot often provide the extensive benefits of larger corporations, which can diminish employee satisfaction and increase the likelihood of turnover. This is particularly salient for small businesses, where limited financial resources can pose a significant impediment.

**** Working conditions***

Working conditions encompass the primary work environment, including the frequency of contact and support that facilitates the employees' work processes. Individuals are more likely to remain with a company when they perceive a genuine concern for their life needs, health, the company's geographical location, family, and other personal requirements (Cheng & Chew, 2004). Research has demonstrated that working conditions significantly influence employees' work attitudes and enhance their work motivation, reducing their intention to leave (Winter & Sarros, 2002). Conversely, poor working conditions significantly contribute to employee turnover. Consequently, fostering a comfortable working environment minimizes employees' intentions to depart.

Working conditions, or labour conditions, are manifested through the utilization of tools, equipment, skills, and technology, as well as specific factors that impact human work capacity within the production process. A positive, clean, and comfortable environment promotes employee productivity and creativity. Conversely, a cramped, uncomfortable, or inadequately equipped workspace can lead to employee fatigue and demotivation. Notably, Gen Z places a high premium on working within a collaborative community environment and receiving support from colleagues. Therefore, cultivating a friendly and harmonious work atmosphere is essential.

Modern equipment and adequate facilities are indispensable aspects of working conditions. Gen Z has grown up in a technology-driven environment and expects to work with cutting-edge tools to optimize performance. Failure to invest in technology or the provision of substandard equipment can diminish work efficiency and foster a sense of employee undervaluation. Businesses must ensure employees have the resources to perform their roles effectively.

Working conditions directly influence the intention to leave among Gen Z employees in small and medium-sized enterprises. To retain these employees, businesses must prioritize enhancing the working environment, providing flexible arrangements, investing in facilities, and fostering a culture of open communication. When employees feel comfortable and valued and have opportunities for professional development, they are more inclined to remain with the organization long-term.

*** *Organizational commitment***

Workplace engagement is defined by Kahn (1990) as “engaging organizational members in their work roles. In participation, people use and express themselves physically, cognitively, and emotionally while performing their roles.” Robinson *et al.* (2004) define employee engagement as “a positive attitude of an employee toward the organization and its values. An engaged employee knows the business context and works with colleagues to improve work performance for the organization's benefit. Organizations must work to develop and nurture engagement, which requires a two-way relationship between the employer and the employee.” According to Michael (2009), engagement is developing and implementing standardized processes to increase employee engagement with their jobs and organizations. Engagement is when people are committed to their jobs and the organization and are motivated to achieve higher performance. It is demonstrated when employees feel interested, positive, and enthusiastic about their work and are willing to put in extra effort to do their best.

Employee engagement is not an easy task for any organization. If mistreated, the organization can suffer significant losses due to lacking enthusiasm and dedication to work. Therefore, any organization must attract and inspire its subordinates to lead them toward its goals. In many cases, organizational performance is not as expected due to a poor communication system, leadership, poor human resource management practices, and a lack of awareness about the importance of employee engagement. Therefore, there is a need to study employee engagement factors within the organization.

According to the Australian Recruitment Marketplace “Employee Engagement, Ideas for Action” survey, 83% believe employee engagement is important to their organization, with over 14% saying it is important “to some extent,” and only 3% saying employee engagement is unimportant. While this report represents only a tiny portion of the global population, the significantly higher proportion of people who recognize the importance of employee engagement is enough to convince us of its importance.

Employee engagement should be a priority, especially given many major economies' current financial and skills climate. As of 2015, the Hays Global Skills Index shows that many countries face a severe shortage of candidates in high-tech industries. With skills scarce, employers need to maximize their investment in their existing human resources. Therefore, employee engagement is critical.

*** *Relationships at work***

Relationships between individuals, superiors, and colleagues are key in shaping the intention to leave. They directly affect the ability and motivation of employees to succeed within the organization. These relationships are multifaceted, can exist inside and outside the organization, and can be positive or negative. The absence of workplace relationships can contribute to feelings of loneliness (Schroth, 2019). Employees with positive relationships with colleagues and superiors are less likely to experience boredom at work, and tasks are resolved more effectively. This can also enhance their job satisfaction. However, conflicts or disagreements can create distance and communication barriers, negatively impacting work productivity and leading to frustration and a desire to leave the organization (Lee *et al.*, 2012).

Another factor influencing employees' intention to stay is the quality of their relationships with managers and colleagues. Emphasizing recognition, encouragement, or praise creates motivation and increases job satisfaction, directly correlating with work performance (Steel & Ovalle, 1984). Studies have shown that their relationship with their manager significantly influences employee turnover. Specifically, if a company experiences increased employee turnover, it should address managerial relationships. Employees who maintain strong and cooperative relationships with their managers tend to exhibit higher performance and lower turnover rates (Schroth, 2019).

Coworker relationships are crucial in determining employees' commitment to the company. These relationships include interactions with colleagues, superiors, and subordinates. Positive relationships foster a comfortable and pleasant work environment and reduce work pressure. In particular, supportive and understanding colleagues can significantly enhance motivation, while negative coworker relationships may lead to rapid turnover.

Therefore, it is essential to prioritize creating a friendly and unified working environment for employees. Effective coordination ensures work quality and facilitates the timely resolution of problems. This, in turn, enhances employee satisfaction and encourages long-term retention.

Management must pay greater attention to leadership, motivating and encouraging employees, implementing fair and transparent reward and punishment systems, and actively listening to employee contributions. Furthermore, engaging in open communication and seeking employee input before making decisions is vital. Open communication and regular feedback from leaders are highly valued by Gen Z. They want to feel that their opinions are heard and appreciated. A perceived lack of connection can lead to feelings of abandonment, reduced commitment, and increased turnover.

By understanding the key factors that influence employee commitment, leaders can effectively support employees facing workplace challenges, assist them in achieving work plans and goals, and consistently demonstrate exemplary conduct. This fosters trust in management and operational practices.

*** Work pressure**

When the demands of a job create an excessive workload, it can lead to mental and physical stress. Causes of this stress include an overloaded workload, pressure from superiors, a lack of capacity to handle tasks, and unrealistically high work expectations, all of which can reduce work performance and increase employee turnover. Graham *et al.* (2000) identified job stress as work overload, conflicts of interest, time constraints, staff shortages, inadequate working equipment, and interpersonal conflicts.

Another study found that job stress is a primary cause of negative attitudes and behaviours, including reduced organizational commitment, job dissatisfaction, and turnover intention (Li & Lu, 2014). High job pressure, such as work overload, can lead to burnout. Furthermore, prolonged stress can impair an employee's ability to engage in organizational citizenship behaviours, such as supporting colleagues or participating in activities, weakening the working environment. Research indicates that job pressure from high job demands is a significant negative factor contributing to burnout (Lee *et al.*, 2012). Consequently, high levels of work-related stress increase an employee's intention to leave

(Calisir *et al.*, 2011). Job pressure is a leading cause of mental stress and negative thoughts arising from low salaries, excessive workloads, feelings of inadequacy, job mismatch, dissatisfaction with management, incompatibility with the work environment, communication difficulties with colleagues, and social isolation. Gen Z is particularly sensitive to mental health. High work pressure, tight deadlines, and heavy workloads can lead to stress, anxiety, and burnout. Without adequate support to mitigate this pressure, they may feel overwhelmed and choose to leave for a less stressful environment. Gen Z also places a high value on work-life balance. Excessive work demands can lead to feelings of lost time for family, friends, and personal interests, negatively impacting their quality of life and prompting them to seek jobs with better balance.

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The working environment significantly influences an employee's state of mind. Work pressure stemming from the environment often arises from adverse developments, changes in the workplace, culture shock, and inadequate work facilities. Specifically, changes such as declining revenue, business losses, staff reductions, and detrimental rumours contribute to workplace stress.

Stress can also originate from colleagues or bosses, a common source. Gen Z employees may feel isolated and disconnected when they face pressure without support from managers or colleagues. A lack of guidance and support can make them feel they cannot quit. Distant colleagues, a reluctance to interact, strict bosses, and cliquish behaviour can all contribute to employee stress. Furthermore, perceived unfairness from management and inequitable work distribution can cause work pressure.

3. Research method

The study referenced criteria and observed variables from previous research to develop the questionnaire. After developing the questionnaire, the authors conducted a pilot test to examine feedback on the clarity and reliability of the criteria. Subsequently, the questionnaire was distributed for survey data collection.

Table 1: Statistics of observed variables

Criteria	Observed variables		Source
Salary and other benefits (CDL)	My salary is commensurate with my ability and dedication to the company	CDL1	Kim & Kim (2021)
	My current salary is suitable for my living expenses	CDL2	
	I am paid overtime or when I do my job well	CDL3	
	I feel that my salary is higher than the average	CDL4	
Organizational commitment (GB)	I often tell my friends that the place I work for is an excellent company	GB1	Schroth (2019)
	I feel fortunate and proud to be able to contribute to my current company	GB2	
	I can realize my potential and have the freedom to be creative while working here.	GB3	
	I am willing to accept any task my superiors assign to continue working at my current company.	GB4	
	I am always interested in the future development of the company I work for	GB5	Ayinde & Adegoroye (2012)
	I appreciate the career path at my company	GB6	
Working conditions (DK)	I have the necessary equipment and tools to facilitate my work	DK1	Firth <i>et al.</i> (2004)
	I am provided with the necessities to facilitate the performance of my work.	DK2	
	My business provides a healthy working environment	DK3	
	My business always prepares food and drinks for employees	DK4	
	My business has a clean canteen and toilet area	DK5	
Workplace relations (QH)	My colleagues are friendly	QH1	Lee <i>et al.</i> (2012)
	I receive help and support from my colleagues	QH2	
	I receive help and support from my supervisor	QH3	
	I am recognized and respected by my colleagues	QH4	
	I am recognized and respected by my supervisor	QH5	

Criteria	Observed variables		Source
Work pressure (AL)	Do you feel that work pressure affects your health and spirit	AL1	Lee <i>et al.</i> (2012)
	You feel satisfied with the support measures that the company provides to reduce work pressure.	AL2	
	The working environment helps me feel comfortable and reduces stress	AL3	
	I have reasonable time to rest and recover after stressful working hours	AL4	
	I often feel overloaded with my current workload	AL5	
	Does work pressure make me feel demotivated to work	AL6	
Intention to quit (YDNV)	I am no longer passionate about my current job	YDNV1	Wong <i>et al.</i> (2021)
	I would like to try my hand in other fields	YDNV2	
	I often seriously consider leaving my current job	YDNV3	
	I have started looking for other jobs	YDNV4	
	I intend to leave my current job	YDNV5	

The scale used in this study comprises 31 observed variables designed to measure seven concepts. The content variables were measured using a 5-point Likert scale, ranging from 1 - Strongly Disagree to 5 - Strongly Agree. The Intention to Leave scale includes five measured variables (YDNV1 - YDNV5); the Salary and Other Benefits scale includes four observations (CDL1 - CDL4); the Organizational Commitment scale consists of 6 observations (GB1 - GB6); the Working Conditions scale consists of 5 observations (DK1 - DK5); the Relationships at Work scale consists of 5 observations (QH1 - QH5); and the Work Pressure scale consists of 6 observations (AL1 - AL6).

The primary data were collected directly through an interview questionnaire with a sample size 351. The questionnaire was designed in two parts: The first part included questions about the respondents' personal information, such as age, gender, education level, occupation, and current salary. These questions were presented in a closed-question format to facilitate respondent ease. The second part of the questionnaire, the central section, surveyed employees' perceived levels of the factors in the model using the 5-point Likert scale.

Primary data were collected through questionnaires using Google Forms. The questionnaires were distributed to small and medium enterprises employees in Nghe An via social networking sites and email. Data collection took place from October to November 2024. Primary data were analyzed using SPSS 20.0 software with descriptive statistical analysis techniques, including mean values, median values, frequency tables, frequencies, minimum and maximum values, Independent Samples T-tests, ANOVAs, and other relevant statistical tests.

4. Results and discussion

4.1. Sample characteristics

Table 2: Sample characteristics

Demographic characteristics	Description	Frequency	Percentage (%)
Gender	Male	239	68.1
	Female	112	31.9
Age	From 16 to 21	145	41.3
	From 22 to 27	206	58.7
Education level	High school	89	25.4
	College	132	37.6
	University and postgraduate	130	37
Occupation	Sales, market development	98	27.9
	Accounting, finance, investment	137	39
	Service, customer care	116	33
Average income/month	Under 8 million VND	96	27.4
	From 8 - 15 million VND	168	47.9
	Over 15 million VND	87	24.8

According to the results collected from 351 Gen Z workers employed in small and medium enterprises in Nghe An (Table 2), male workers represent a higher percentage than female workers (68.1% male, 31.9% female). Among these, workers aged 16 to 22 account for 41.3%, while those aged 22 to 27 represent 58.7%. This latter group comprises workers who have recently graduated from universities, colleges, or vocational schools, hence their high demand for employment. College, university, and postgraduate workers comprise a significant 74.6%. This represents a considerable advantage for the future labour market in Nghe An, as it indicates a substantial proportion of highly qualified workers.

Of the 351 Gen Z workers employed in small and medium enterprises in Nghe An, 27.9% work in sales, business development, and market development, 39% work in accounting, finance, and investment, and 33% work in services and customer care. The average monthly income of these Gen Z workers ranges from 8 to 12 million VND. Specifically, those earning 8 to 15 million VND account for 47.9%, and those earning over 15 million VND account for 24.8%. This income level is relatively high compared to the general income levels in Nghe An and compared to Gen X and Y workers.

4.2. Descriptive statistical analysis results

Table 3: Descriptive statistical results of salary regime and other treatment policies

		CDL1	CDL2	CDL3	CDL4
N	Valid	351	351	351	351
	Missing	0	0	0	0
Mean		3.0513	3.4046	3.4530	2.1197

	CDL1	CDL2	CDL3	CDL4
Median	3.0000	4.0000	5.0000	2.0000
Mode	3.00	5.00	5.00	1.00
Std. Deviation	1.25479	1.53488	1.76876	1.14014
Variance	1.575	2.356	3.128	1.300
Minimum	1.00	1.00	1.00	1.00
Maximum	5.00	5.00	5.00	5.00

The statistical results of the four observed variables within the Salary Regime and Policies construct, specifically: Salary is commensurate with ability and dedication to the business (CDL1); Salary is suitable for living expenses (CDL2); Compensation for overtime or exceptional performance (CDL3); and My salary is higher than the general level (CDL4), indicate that all four variables have an average value below 3.5. Notably, the observed variable CDL4 exhibits the lowest average value (2.1197). This suggests that Gen Z workers are generally dissatisfied with the salaries offered by businesses and perceive that their compensation is not commensurate with their abilities and dedication.

Table 4: *Descriptive statistics of working conditions*

		CDL4	DK1	DK2	DK3	DK4	DK5
N	Valid	351	351	351	351	351	351
	Missing	0	0	0	0	0	0
Mean		2.1197	3.4074	2.4900	3.1311	3.6296	4.3219
Median		2.0000	4.0000	1.0000	3.0000	5.0000	5.0000
Mode		1.00	5.00	1.00	5.00	5.00	5.00
Std. Deviation		1.14014	1.71443	1.82029	1.61065	1.76299	1.20786
Variance		1.300	2.939	3.313	2.594	3.108	1.459
Minimum		1.00	1.00	1.00	1.00	1.00	1.00
Maximum		5.00	5.00	5.00	5.00	5.00	5.00

Three of the five observed variables within the Working Conditions construct exhibit a mean value below 3.5. Notably, the observed variable DK2 (workers are provided necessities to facilitate their work performance) receives the lowest rating. Therefore, businesses should prioritize creating an optimal working environment and conditions for employees to enhance employee retention, productivity, and work efficiency.

Table 5: *Descriptive statistical results of organizational commitment*

		GB1	GB2	GB3	GB4	GB5	GB6
N	Valid	351	351	351	351	351	351
	Missing	0	0	0	0	0	0
Mean		3.0000	2.6353	2.2678	4.0655	3.7920	2.5897
Median		3.0000	3.0000	2.0000	4.0000	5.0000	2.0000

	GB1	GB2	GB3	GB4	GB5	GB6
Mode	3.00	1.00	1.00	5.00	5.00	1.00
Std. Deviation	1.08496	1.42761	1.37199	1.13829	1.46367	1.60795
Variance	1.177	2.038	1.882	1.296	2.142	2.585
Minimum	1.00	1.00	1.00	1.00	1.00	1.00
Maximum	5.00	5.00	5.00	5.00	5.00	5.00

A characteristic of Gen Z workers is their tendency to change jobs quickly (also known as “job hopping”). They are willing to pursue new job opportunities with more attractive earnings after a period of dedication to the organization, receiving training, and directly participating in the company's projects. The statistics in Table 5 also indicate that employee attachment to the company is not high.

Table 6. *Descriptive statistics of workplace relationships*

		QH1	QH2	QH3	QH4	QH5
N	Valid	351	351	351	351	351
	Missing	0	0	0	0	0
Mean		3.3390	3.4131	3.0598	3.1054	2.3932
Median		3.0000	3.0000	3.0000	3.0000	2.0000
Mode		5.00	5.00	3.00	5.00	1.00
Std. Deviation		1.67046	1.55940	1.40991	1.60810	1.39565
Variance		2.790	2.432	1.988	2.586	1.948

The factor of workplace relationships also significantly impacts the intention of Gen Z workers to quit. Statistical results indicate that all five observed variables (QH1-QH5) have an average value below 3.5, suggesting that employees' assessment of workplace relationships is unfavourable. Workplace relationships encompass interactions with colleagues, superiors, and subordinates. Among these, colleague relationships are crucial in determining employee attachment to the company. Positive relationships foster a comfortable and pleasant work environment, reducing work pressure. Specifically, supportive and understanding colleagues increase motivation; conversely, negative relationships may lead to rapid employee departure.

Therefore, it is essential to prioritize the creation of a friendly and cohesive working environment for employees. Effective coordination ensures work quality and facilitates the prompt handling and resolution of problems. Consequently, employees will feel satisfied and more inclined to remain with the company long-term. Finally, work pressure is another significant factor influencing Gen Z workers' quitting decisions.

Work pressure is a primary cause of mental stress and leads to negative thoughts among workers. High work pressure can result in feelings of stress, anxiety, and burnout. Gen Z highly values work-life balance. When work demands excessive time and effort, they may feel they are sacrificing time with family, friends, and personal interests. This affects their quality of life and prompts them to seek employment that offers a better balance.

Table 7: Descriptive statistics of work pressure

		AL1	AL2	AL3	AL4	AL5	AL6
N	Valid	351	351	351	351	351	351
	Missing	0	0	0	0	0	0
Mean		4.2707	2.4103	2.5271	3.8519	4.2308	3.7892
Median		5.0000	2.0000	3.0000	5.0000	5.0000	5.0000
Mode		5.00	1.00	1.00	5.00	5.00	5.00
Std. Deviation		1.15547	1.46670	1.50380	1.48929	1.10364	1.44854
Variance		1.335	2.151	2.261	2.218	1.218	2.098
Minimum		1.00	1.00	1.00	1.00	1.00	1.00
Maximum		5.00	5.00	5.00	5.00	5.00	5.00

The impact of factors on the decision of Gen Z workers to quit is demonstrated in Table 8. Statistics indicate that the intention of quitting decisions of Gen Z workers at small and medium enterprises in Nghe An is very high. All five observed variables have an average value greater than 3.5. The authors employed multiple linear regression analysis to process the data, aiming to predict a dependent variable based on the values of several independent variables. Most real-world phenomena are multifactorial, meaning multiple factors influence or cause changes in the dependent variable. To accurately predict the dependent variable, including multiple independent variables in the model is often necessary. Multiple linear regression allows testing the extent to which a dependent variable can be predicted based on multiple independent variables.

Table 8: Descriptive statistical results of quitting decisions

		YDNV1	YDNV2	YDNV3	YDNV4	YDNV5
N	Valid	351	351	351	351	351
	Missing	0	0	0	0	0
Mean		3.5442	3.6895	3.8091	3.7350	3.8462
Median		4.0000	5.0000	5.0000	5.0000	5.0000
Mode		5.00	5.00	5.00	5.00	5.00
Std. Deviation		1.54833	1.64156	1.43050	1.54398	1.55627
Variance		2.397	2.695	2.046	2.384	2.422
Minimum		1.00	1.00	1.00	1.00	1.00
Maximum		5.00	5.00	5.00	5.00	5.00

Table 9: Model summary results

Model	R-Value	R Square Value	Adjusted R Square Value	Standard Error of the Estimate	Durbin-Watson Statistic
1	0.699 ^a	0,488	0,481	0,46331	2,067

The results demonstrate that both the R-squared and adjusted R-squared values meet the model's goodness of fit requirements. The adjusted R-squared value of 0.481 signifies that the independent variables in this study account for 48.1% of the variation in the dependent variable. The remaining 51.9% is attributable to other factors outside the model and random error.

Table 10: ANOVA results

Model		Sum of Squares	Degrees of Freedom	Mean Square	F Test	Significance Level
1	Regression	60,361	4	15,090	70,298	0.000 ^b
	Residual	63,325	295	0,215		
	Total	123,686	299			

Table 10 demonstrates that the significance level coefficient = 0.000 < 0.05, indicating that the results of this regression analysis are statistically significant and meet the requirements. The regression analysis results presented in Table 11 show that the Sig coefficients of all independent variables meet the requirements, achieving values less than 0.05, thus indicating statistical significance. Furthermore, the Variance Inflation Factor for all factors is below 2, demonstrating that the data in this study does not violate the multicollinearity assumption and meets the requirements.

Table 11: Regression analysis results

Model		Unstandardized Coefficients		Standardized Coefficients	T Test	Significance Level	Collinearity Statistics	
		B Coefficient	Standard Error	BETA Coefficient			Tolerance	Variance Inflation Factor (VIF)
1	Constant	-0.348	0.262		-1.329	0.185		
	CDL	0.292	0.054	0.258	5.441	0.000	0.774	1.291
	GB	0.534	0.055	0.435	9.767	0.000	0.753	1.329
	DK	0.127	0.054	0.115	2.335	0.020	0.716	1.397
	QH	0.113	0.050	0.098	2.274	0.024	0.933	1.072
	AL	0.154	0.052	0.094	2.246	0.023	0.925	1.070

The regression equation is: $YDNV = -0.348 + 0.258 CDL + 0.435 GB + 0.115 DK + 0.098 QH + 0.094 AL$, in which YDNV represents labour turnover intention; CDL denotes salary and other incentive policies; GB signifies organizational commitment; DK refers to working conditions; QH represents workplace relationships; and AL stands work pressure.

The regression analysis results indicate that all five factors - CDL, GB, DK, QH, and AL - positively impact the dependent variable YDNV, as evidenced by their positive Beta coefficients. Specifically:

- Salary and incentive policies: The Beta coefficient for salary and incentive policies is 0.258, indicating a positive relationship with turnover intention. A one-unit increase in this factor corresponds to a 0.258-unit increase in turnover intention, explaining 25.8% of its variability.

- Organizational commitment: With a Beta coefficient of 0.435, organizational commitment has the strongest positive association with turnover intention. A one-unit increase in organizational commitment leads to a 0.435-unit increase in turnover intention, accounting for 43.5% of the variance.

- Working conditions: The Beta coefficient for working conditions is 0.115, suggesting a weaker but still positive relationship with turnover intention. A one-unit increase in working conditions results in a 0.115-unit increase in turnover intention, explaining 11.5% of its variability.

- Workplace relationships: The Beta coefficient for workplace relationships is 0.098, reflecting a relatively minor positive impact. A one-unit increase in workplace relationships corresponds to a 0.098-unit increase in turnover intention, accounting for 9.8% of the variance.

- Work pressure: The Beta coefficient for work pressure is 0.094, indicating a slight positive relationship with turnover intention. A one-unit increase in work pressure is associated with a 0.094-unit increase in turnover intention, explaining 9.4% of its variability.

4.3. Discussion

Enterprises should implement strategic and multifaceted solutions to retain young talent long-term and foster their contributions.

First, transparent, consistent, and competitive salary and bonus policies are essential to enhancing employee security and dedication. Diversifying benefits and providing clear career progression pathways, including salary increases, will further motivate employees to pursue long-term growth within the organization.

Second, improving working conditions by investing in infrastructure, offering comprehensive insurance, and prioritizing employee and family health will create a sense of security and long-term commitment.

Third, fostering organizational commitment and positive workplace relationships is crucial for enhancing motivation and reducing turnover, particularly among Gen Z. This can be achieved by cultivating an engaging corporate culture, encouraging employee participation, developing engagement programs, offering flexible work arrangements, facilitating collaboration through meetings and team-building activities, and maintaining transparent communication practices that align with Gen Z's preference for text-based interaction.

Lastly, enterprises should modernize their management systems and recruitment processes to accommodate the unique characteristics of young talent, enabling them to maximize their professional potential and contribute meaningfully to business growth.

5. Conclusion

The research results indicate that all five factors - salary and incentive policies, working conditions, organizational commitment, workplace relationships, and work pressure - correlate with and influence the turnover intention of Gen Z employees in small

and medium-sized enterprises (SMEs) in Nghe An province. Among these, organizational commitment and salary and incentive policies are the most influential factors. Based on these findings, the study proposes several solutions to mitigate the turnover intention of Gen Z employees in SMEs. Specifically, SMEs should develop comprehensive incentive and welfare policies with flexible and diverse benefits, including social insurance, health insurance, holiday bonuses, and travel allowances. These policies help employees feel that their contributions are recognized and motivate them to strive for better performance in the current work environment. Additionally, the research findings provide empirical insights that enable SMEs in Nghe An province to understand the factors affecting employee turnover intention, particularly among Gen Z, thereby facilitating timely adjustments and strategic adaptations in the future.

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TÓM TẮT

GIỮ CHÂN LAO ĐỘNG THẾ HỆ Z: CHIẾN LƯỢC CHO CÁC DOANH NGHIỆP VỪA VÀ NHỎ TẠI TỈNH NGHỆ AN, VIỆT NAM

Lê Quang Phúc, Nguyễn Thị Lưu, Nguyễn Thị Bích Liên, Trần Thị Hoàng Mai

Khoa Kinh tế, Trường Kinh tế, Trường Đại học Vinh, Nghệ An, Việt Nam

Ngày nhận bài 10/01/2025, ngày nhận đăng 27/02/2025

Nghiên cứu này tìm hiểu các yếu tố ảnh hưởng đến ý định nghỉ việc của nhân viên thế hệ Z. Tác giả đã thu thập dữ liệu bằng cách khảo sát 315 nhân viên đang làm việc tại các doanh nghiệp vừa và nhỏ (SME) tại tỉnh Nghệ An. Thống kê mô tả và phân tích hồi quy được sử dụng để phân tích dữ liệu thu thập được. Kết quả nghiên cứu chỉ ra rằng có năm yếu tố chính ảnh hưởng đến ý định nghỉ việc của nhân viên thế hệ Z: (1) chính sách lương và chế độ đãi ngộ, (2) cam kết với tổ chức, (3) điều kiện làm việc, (4) mối quan hệ tại nơi làm việc và (5) áp lực công việc. Dựa trên những phát hiện này, nghiên cứu đề xuất một số giải pháp giúp các doanh nghiệp vừa và nhỏ cải thiện khả năng giữ chân nhân viên và giảm tỷ lệ nghỉ việc.

Từ khóa: Quyết định nghỉ việc; nhân viên thế hệ Z; doanh nghiệp vừa và nhỏ.