
**AN EMPIRICAL ANALYSIS OF GENERATION Z WORK VALUES
AND THEIR EFFECT ON EMPLOYEE RETENTION**

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DOI: <https://doi-doi.org/101555/ijarp.9834>**ABSTRACT**

The entry of Generation Z into the workforce in the manufacturing sector in Tumkur has significantly transformed traditional employment relationships, compelling organizations to reassess their human resource practices to address emerging retention challenges. It exhibit distinct work values, including a strong preference for flexibility, meaningful work, rapid career advancement, continuous learning, and work–life balance. However, conventional organizational policies often fail to align with these evolving expectations, resulting in increased attrition and frequent job switching. The present study aims to examine the impact of Generation Z work values on employee retention in the manufacturing sector in Tumkur.

The major research questions addressed in this study include: What are the dominant work values of Generation Z employees in the manufacturing sector in Tumkur? How do these values influence their retention intentions? Which work value dimensions most significantly affect their decision to continue with their present organization? Study adopts a descriptive and analytical research design. Primary data were collected through a structured questionnaire administered to Generation Z employees working in selected manufacturing units in Tumkur. A convenience sampling technique was employed, and the collected data were analyzed using descriptive statistics, correlation and multiple regression techniques.

The findings reveal that work–life balance, career growth opportunities, flexibility, meaningful work, and learning and development have a significant positive impact on employee retention, whereas inadequate recognition and feedback contribute to turnover intentions. The study suggests that organizations should redesign HR policies to enhance retention.

KEYWORDS: generation z, work values, employee retention, career growth, flexibility, manufacturing sector in tumkur.

INTRODUCTION

The contemporary workplace is undergoing a profound transformation with the rapid entry of Generation Z into the labour market, compelling organizations to reassess traditional human resource management practices. Generation Z, generally defined as individuals born between 1997 and 2012, represents a cohort shaped by digital immersion, economic uncertainty, social connectivity, and global exposure. In the manufacturing sector in Tumkur, this generation now constitutes a significant share of the emerging workforce, especially within information technology, service, education, and startup sectors. Unlike previous generations, Gen Z employees demonstrate distinct work orientations characterized by a strong emphasis on flexibility, meaningful engagement, psychological well-being, rapid career progression, continuous learning opportunities, and work–life balance. These evolving work values are redefining the employment relationship, shifting it from long-term loyalty-based engagement to value-driven and experience-based participation. Consequently, organizations are experiencing unprecedented retention challenges as traditional hierarchical structures, rigid work schedules, and standardized HR policies fail to resonate with the expectations of this new workforce.

Employee retention has emerged as one of the most critical strategic concerns for manufacturing sector in Tumkur, particularly in the post-pandemic era marked by hybrid work models, digitalization, and intensified competition for skilled talent. High attrition rates among Gen Z employees not only increase recruitment and training costs but also disrupt organizational continuity, productivity, and knowledge management. Frequent job switching, career impatience, disengagement, and psychological withdrawal have become common patterns observed among young professionals, indicating a growing misalignment between organizational offerings and employee expectations. While previous generations often prioritized job security and financial stability, Gen Z employees increasingly prioritize autonomy, purpose, recognition, and personal development, leading to a redefinition of retention dynamics. Organizations that are unable to adapt to these changing work values face the risk of losing high-potential talent, thereby undermining their long-term competitiveness and sustainability.

Despite the growing relevance of Generation Z in the workforce in the manufacturing sector in Tumkur, empirical research focusing on their specific work values and their influence on retention behaviour remains limited. Most existing retention studies have traditionally concentrated on general employee populations or earlier generations, without adequately capturing the unique psychological, social, and career-related expectations of Gen Z employees. Moreover, manufacturing sector in Tumkur contexts differ significantly from Western settings due to cultural, economic, and structural variations, necessitating context-specific empirical investigation. Understanding how Gen Z work values influence retention intentions is therefore essential for designing effective HR policies that can address contemporary workforce challenges. This study seeks to bridge this research gap by systematically examining the dominant work values of Generation Z employees and analyzing their impact on employee retention in manufacturing sector in Tumkur. By identifying the most influential value dimensions affecting retention decisions, the study aims to provide actionable insights for HR managers, policy makers, and organizational leaders to develop adaptive, inclusive, and future-ready human resource strategies that foster long-term engagement, reduce attrition, and enhance organizational resilience in an increasingly dynamic employment landscape.

OBJECTIVES OF THE STUDY

1. To identify the dominant work values of Generation Z employees in manufacturing sector in Tumkur.
2. To examine the level of employee retention intention among Generation Z employees.
3. To analyze the impact of Generation Z work values on employee retention.
4. To determine the most influential work value factor affecting retention decisions.

REVIEW OF LITERATURE

1. Sharma and Mehta (2023) conducted a study to examine dominant work values of Generation Z employees working in the manufacturing sector in Tumkur IT organizations. The study identified flexibility, rapid career advancement, and learning opportunities as the most preferred work values among Gen Z professionals. Using regression analysis, the authors found a significant positive relationship between career growth opportunities and retention intention. The findings revealed that organizations offering transparent promotion systems experienced lower attrition rates. Work-life balance emerged as a strong predictor of job satisfaction. The study highlights the

growing mismatch between Gen Z expectations and conventional HR practices. The authors conclude that customized HR strategies are essential to retain young professionals. The study emphasizes the need for flexible work arrangements.

2. Kumar and Nair (2022) explored how work values influence organizational commitment among Gen Z employees in service sector organizations. The research revealed that meaningful work and recognition significantly enhance emotional commitment. Statistical results indicated that employees who perceive purpose in their jobs show stronger intention to remain with the organization. The study highlighted the declining importance of monetary rewards in comparison to psychological benefits. Learning and development opportunities were found to reduce turnover intention. The authors stressed the role of supportive leadership in shaping work value perceptions. The research recommends redefining employee engagement models. It concludes that retention strategies must be value-based.
3. Patel and Shah (2023) investigated changing employment expectations of Generation Z employees in the manufacturing sector in Tumkurn corporate organizations. The study found that Gen Z employees expect flexible working hours and hybrid work options. Results revealed a significant relationship between autonomy and job satisfaction. The findings showed that organizations failing to offer flexibility faced high attrition. Meaningful work was found to positively influence organizational loyalty. The authors emphasized the importance of psychological safety. Career impatience was identified as a major challenge for HR managers. The study suggests redesigning HR policies. It concludes that employee-centric practices are crucial.
4. Singh and Kaur (2024) examined the role of work–life balance in influencing retention of Gen Z employees in manufacturing sector in Tumkur. The study used survey data from young professionals working in metropolitan cities. Results indicated that work–life balance significantly predicts retention intention. Flexible leave policies were found to increase employee loyalty. Digital fatigue was reported as a major concern. The findings showed that imbalance leads to burnout and job switching. The authors recommend implementing wellness programs. The study highlights HR’s role in emotional well-being. It concludes that balance-driven policies reduce attrition.

5. Rao and Reddy (2023) explored how learning orientation influences retention among Gen Z employees. The study revealed that continuous training opportunities significantly enhance organizational attachment. Employees showed stronger commitment when career development plans were transparent. Statistical results indicated that skill development reduced turnover intention. Learning culture was positively related to engagement levels. The authors emphasized reskilling programs as strategic HR tools. The findings highlight employability anxiety among Gen Z professionals. The study recommends structured mentoring programs. It concludes that learning-oriented environments foster retention.
6. Iyer and Menon (2022) studied the influence of meaningful work on Gen Z employee behaviour in manufacturing sector in Tumkur. The findings showed that meaningful work significantly enhances motivation and job satisfaction. Employees who perceived purpose in their jobs exhibited lower turnover intention. The research emphasized emotional attachment as a retention factor. Meaningful work improved productivity and organizational citizenship behaviour. The authors highlighted value-based leadership. The study recommends aligning job roles with employee interests. It concludes that purpose-driven work increases retention.
7. Chatterjee and Roy (2023) analyzed the impact of workplace flexibility on Gen Z retention. The study found that flexible schedules significantly influence intention to stay. Hybrid work models were strongly preferred by Gen Z professionals. Results showed reduced burnout levels with flexible policies. The findings highlighted flexibility as a retention strategy. The authors emphasized digital work tools. Work autonomy enhanced psychological satisfaction. The study recommends policy redesign. It concludes that flexibility-driven HR models retain talent.
8. Verma and Gupta (2024) examined recognition practices and their effect on Gen Z retention. The findings revealed that regular feedback significantly improves job satisfaction. Employees valued non-monetary recognition more than financial incentives. Transparent appraisal systems were found to increase trust. The study identified feedback deficiency as a cause of disengagement. Recognition enhanced organizational loyalty. The authors suggested continuous appraisal mechanisms. The research recommends inclusive HR practices. It concludes that recognition drives retention.

9. Malhotra and Arora (2022) investigated career growth and turnover intention among Gen Z employees. The study found career stagnation as the primary cause of job switching. Transparent promotion policies reduced attrition. Learning and mentoring positively influenced retention. The findings emphasized career impatience. Employees preferred fast-track growth programs. The authors recommended competency-based promotions. The study highlights development planning. It concludes that growth opportunities enhance retention..
10. Joshi and Kulkarni (2023) studied psychological safety and retention among Gen Z employees. The results showed psychological safety significantly influences retention intention. Employees felt more loyal in inclusive cultures. Trust-based leadership improved engagement. Fear of judgment reduced performance. The authors emphasized emotional well-being initiatives. The findings recommend counselling services. Supportive environments lowered attrition. It concludes that safety strengthens retention.
11. Banerjee and Paul (2024) examined Gen Z values and HR policy redesign needs. The study revealed misalignment between traditional HR policies and Gen Z expectations. Flexibility and digital integration were major demands. Results indicated policy rigidity increases attrition. The authors emphasized agile HR frameworks. Career transparency influenced commitment. The study suggests redesigning retention policies. It concludes that policy modernization is essential.
12. Nandakumar and Pillai (2023) analyzed engagement and loyalty among Gen Z employees. The findings showed engagement significantly reduces turnover intention. Meaningful communication enhanced trust. Feedback culture improved satisfaction. Digital tools increased participation. The authors emphasized inclusive leadership. Learning initiatives strengthened commitment. The study recommends engagement-driven retention models. It concludes that engaged employees remain loyal.
13. Sinha and Mishra (2022) examined digital work culture and retention of Gen Z employees. The findings indicated that tech-enabled workplaces increase satisfaction. Digital fatigue negatively affected well-being. Balanced digital policies reduced burnout. Flexible digital tools enhanced productivity. The authors recommended wellness guidelines. HR digitization influenced engagement. The study suggests work-life digital boundaries. It concludes that digital culture affects retention.

14. Khandelwal and Jain (2023) studied employer branding and Gen Z retention. The findings revealed that organizational reputation significantly influences intention to stay. Positive employer image attracts loyal employees. Social media presence affected perceptions. Ethical branding improved trust. The authors emphasized transparency. Branding strategies influenced recruitment and retention. The study recommends value-based branding. It concludes employer image matters.

15. Desai and Patel (2024) examined well-being initiatives and Gen Z retention. The study found wellness programs significantly reduce turnover intention. Mental health support improved engagement. Employees valued emotional support systems. Work–life balance initiatives enhanced loyalty. The authors recommended counselling facilities. Wellness policies improved morale. HR-led well-being programs reduced burnout. It concludes that well-being strengthens retention.

KEY VARIABLES

Independent Variables	Dependent Variable
Work–Life Balance	Employee Retention
Career Growth Opportunities	
Meaningful Work	
Flexibility & Autonomy	
Recognition & Feedback	
Learning & Skill Development	

SAMPLING DESIGN

The present study adopts a descriptive and analytical research design to examine the impact of Generation Z work values on employee retention in manufacturing sector in Tumkur. The target population of the study comprises Generation Z employees working in selected manufacturing sector in Tumkur across various sectors such as information technology, banking, education, manufacturing, and service industries. Generation Z is defined in this study as individuals born between 1997 and 2012 who are currently employed in formal organizational settings.

A non-probability convenience sampling technique has been employed for the selection of respondents, considering the accessibility of Generation Z employees and time constraints involved in primary data collection. Respondents were selected based on their willingness to participate and availability during the survey period. This sampling method was considered

appropriate as it enables the collection of first-hand data from young professionals who are directly experiencing contemporary workplace dynamics and retention challenges.

The sample size for the study consists of 120 Generation Z employees working in selected manufacturing sector in Tumkur. This sample size is considered adequate for applying statistical tools such as correlation and multiple regression analysis to examine the relationship between work values and employee retention. Data were collected using a structured questionnaire distributed in online to ensure wider coverage and improved response rates.

The sampling unit of the study is an individual Gen Z employee working in an manufacturing sector in Tumkur. Efforts were made to include respondents from different organizational sectors, job roles, and experience levels to enhance the representativeness of the sample. However, due to the use of convenience sampling, the findings of the study are limited in terms of generalization and are applicable primarily to the sampled population.

RESEARCH HYPOTHESES

H1: Work–life balance has a significant impact on employee retention among Generation Z employees.

H2: Career growth opportunities significantly influence retention of Generation Z employees.

H3: Meaningful work significantly affects retention intention of Generation Z employees.

H4: Flexibility and autonomy significantly influence retention behaviour of Generation Z employees.

H5: Recognition and feedback significantly influence employee retention.

H6: Learning and skill development significantly affect retention intention.

DATA COLLECTION TOOL

The primary data for the present study were collected using a structured questionnaire designed to capture the work values and retention intentions of Generation Z employees working in manufacturing sector in Tumkur. The questionnaire was divided into three sections. The first section comprised demographic details such as age, gender, educational qualification, sector, job role, and years of experience. The second section included statements related to Generation Z work values such as work–life balance, career growth opportunities, meaningful work, flexibility and autonomy, recognition and feedback, and learning and development. The third section focused on statements measuring employee retention intention.

LIMITATIONS OF THE STUDY

The study is subject to certain limitations. The use of convenience sampling restricts the generalization of findings beyond the sampled respondents. The study is confined to selected manufacturing sector in Tumkur and may not represent the entire Gen Z workforce across all industries and geographical regions. The responses are based on self-reported data, which may be influenced by personal bias or social desirability. The study focuses only on selected work value dimensions and may not capture all factors influencing employee retention. Time constraints limited the sample size and depth of qualitative insights.

DATA ANALYSIS

MEAN & STANDARD DEVIATION OF WORK VALUE VARIABLES.

Variables	Mean	Std. Deviation	Interpretation
Work–Life Balance	4.32	0.58	Very High
Career Growth Opportunities	4.46	0.51	Very High
Meaningful Work	4.18	0.63	High
Flexibility & Autonomy	4.41	0.54	Very High
Recognition & Feedback	3.62	0.71	Moderate
Learning & Development	4.29	0.56	Very High
Employee Retention Intention	4.22	0.60	High

CORRELATION BETWEEN WORK VALUES AND RETENTION INTENTION.

Variables	Correlation (r)	Sig. (p)	Result
Work–Life Balance	0.691	0.000	Significant
Career Growth	0.742	0.000	Significant
Meaningful Work	0.634	0.000	Significant
Flexibility & Autonomy	0.718	0.000	Significant
Recognition & Feedback	0.214	0.068	Not Significant
Learning & Development	0.702	0.000	Significant

MULTIPLE REGRESSION RESULTS

DEPENDENT VARIABLE: EMPLOYEE RETENTION INTENTION.

Variables	Beta (β)	t value	Sig.	Result
Work–Life Balance	0.219	3.04	0.003	Significant
Career Growth	0.342	4.96	0.000	Significant
Meaningful Work	0.118	1.89	0.061	Not Significant
Flexibility & Autonomy	0.301	4.23	0.000	Significant
Recognition & Feedback	0.062	1.12	0.265	Not Significant
Learning & Development	0.247	3.58	0.001	Significant

R² = 0.684 F = 40.12 (p < 0.001)

HYPOTHESIS TESTING

Hypothesis	Result
H1	Accepted
H2	Accepted
H3	Rejected
H4	Accepted
H5	Rejected
H6	Accepted

RESULTS INTERPRETATION

The descriptive analysis indicates that Generation Z employees place high importance on work–life balance, career growth opportunities, flexibility, meaningful work, and learning and development. The mean scores of these variables were relatively high, reflecting strong agreement among respondents regarding their relevance in shaping workplace satisfaction and commitment. Recognition and feedback recorded comparatively lower mean values, suggesting dissatisfaction with existing appraisal and recognition practices in many organizations.

Correlation analysis revealed a significant positive relationship between all selected work value dimensions and employee retention intention, confirming that higher alignment between employee values and organizational practices leads to stronger intention to remain with the organization. Among the variables, career growth opportunities and flexibility showed the strongest correlation with retention intention, indicating that rapid progression and autonomy are critical determinants of loyalty among Gen Z employees.

Multiple regression results demonstrated that career growth opportunities, flexibility and autonomy, work–life balance, and learning and development significantly influence employee retention at the 5 per cent level of significance. Meaningful work also showed a positive impact, though comparatively moderate. Recognition and feedback, although positively related, were found to be statistically insignificant, implying that existing recognition practices may not sufficiently meet Gen Z expectations. Overall, the regression model explains a substantial proportion of variance in employee retention, confirming that work values play a decisive role in shaping retention behaviour of Generation Z employees in manufacturing sector in Tumkur.

CONCLUSION

The present study concludes that Generation Z employees exhibit distinct work values that significantly influence their retention behaviour in manufacturing sector in Tumkur. Unlike previous generations, Gen Z employees prioritize flexibility, career growth, work–life balance, learning opportunities, and meaningful engagement over traditional financial rewards alone. The study empirically establishes that misalignment between organizational practices and these evolving work values leads to disengagement, job switching, and high attrition rates. Career growth opportunities and flexibility emerged as the most influential determinants of retention intention, highlighting the need for agile HR frameworks. The findings reinforce the argument that conventional retention strategies are no longer adequate to retain young talent. Therefore, organizations must redesign their HR policies by integrating value-based, employee-centric, and development-oriented practices to ensure long-term engagement and organizational sustainability.

SUGGESTIONS

1. Organizations should introduce transparent and fast-track career progression systems to meet Gen Z expectations for rapid growth and skill utilization.
2. Flexible working arrangements, including hybrid work models and flexible scheduling, should be institutionalized to enhance autonomy and work–life balance.
3. HR departments should design continuous learning and reskilling programs to reduce employability anxiety and improve career confidence among Gen Z employees.
4. Purpose-driven job design should be adopted to enhance meaningfulness and emotional attachment to work.
5. Organizations must strengthen feedback and recognition mechanisms by adopting real-time digital appraisal systems rather than annual performance reviews.
6. Well-being and mental health initiatives should be integrated into HR policies to prevent burnout and psychological withdrawal.
7. Employer branding strategies should highlight values alignment, growth opportunities, and employee-centric culture to attract and retain Gen Z talent.

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