

# Employee Engagement and Retention Strategies Among Generation Z Employees: An Empirical Study in Bangalore

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Abstract - Generation Z is becoming an important part of the workforce, creating a need for organizations to understand the human resource practices that influence their engagement and intention to remain. This study examines employee engagement and retention strategies among Generation Z employees in Bangalore, with particular attention to organizational culture, leadership support, communication and feedback, rewards and recognition, career growth, work-life balance, flexible work practices, and training and development. Primary data were collected through a structured questionnaire from 160 Generation Z employees working in different organizations in Bangalore. Descriptive statistics, Cronbach's Alpha, Pearson's correlation, ANOVA, and regression analysis were used to analyse the data. The questionnaire demonstrated good internal consistency, with a Cronbach's Alpha of 0.82. The study found generally positive perceptions of employee engagement practices and a positive relationship between engagement and retention. Regression analysis showed that organizational culture and supervisor guidance significantly and positively influenced employees' intention to remain, with supervisor guidance showing the stronger effect. The findings indicate that supportive leadership, a positive organizational culture, career development, recognition, communication, flexibility, and work-life balance are important considerations for retaining Generation Z employees.

Key Words: employee engagement, employee retention, Generation Z, human resource practices, organizational culture, leadership support.

## 1. INTRODUCTION

Employee engagement and employee retention have become important human resource management concerns as organizations seek to maintain skilled and committed employees. Employee engagement refers to the emotional, cognitive, and physical commitment employees bring to their work and workplace, while retention concerns an organization's ability to maintain its workforce over time. Generation Z represents a growing group of employees whose expectations include career development, skill enhancement, supportive leadership, work-life balance, recognition, and flexibility. These expectations make it necessary for organizations to review traditional human resource practices and develop employee-centred approaches.

The study is situated in Bangalore, where employees from different organizational sectors were considered. The research addresses the need for evidence on the relationship between engagement and retention among Generation Z employees in the local context. Earlier studies reviewed in the dissertation have examined specific factors such as employer branding, career development, flexibility, work-life balance, and corporate social responsibility, but the relationship between engagement and retention across different HR practices remains comparatively less examined in Bangalore.

The primary objective is to study employee engagement and retention strategies among Generation Z employees in organizations located in Bangalore. The study also identifies factors influencing engagement, examines the relationship between engagement and retention, assesses the influence of selected HR practices on retention, examines the role of organizational culture and leadership support, and proposes strategies for improving engagement and retention.

## 2. LITERATURE REVIEW

The literature reviewed for the study indicates that Generation Z employees value flexibility, meaningful work, career growth, supportive leadership, effective communication, recognition, and work-life balance. Rahman et al. (2025) reported that flexible work, technology, organizational values, and career growth can improve engagement. Wibaselppa et al. (2025) emphasized emotional engagement, cognitive commitment, and social attachment as important for retention. Syarifah et al. (2025) similarly highlighted meaningful work, learning agility, flexibility, work-life balance, rewards, and employer branding.

Other studies reviewed in the dissertation reinforce the importance of supportive and flexible workplaces. Dhia (2024) found positive links between career development, engagement, organizational commitment, and Generation Z retention. Pandita and Khatwani (2022) emphasized ethical practices, employee welfare, and social responsibility. Ambalika et al. (2024) highlighted work-life balance, communication, and rewards, while Shofiyatunnisa (2025) identified work-life balance, inclusive culture, communication, and supportive relationships as engagement factors. Joseph et al. (2026) emphasized flexible career growth, skill development, and career-goal support.

The study is supported by Kahn's Employee Engagement Theory, Social Exchange Theory, the Job Demands-Resources model, and Self-Determination Theory. Together, these perspectives explain how meaningful work, supportive relationships, organizational resources, recognition, autonomy, competence, connection, and career development can strengthen engagement and retention.

The research gap identified is the limited evidence connecting employee engagement and retention for Generation Z employees in Bangalore across multiple sectors. Much of the reviewed research focuses on particular industries or individual factors and is conducted outside India. The present study therefore examines the relationship in the Bangalore context using a set of HR practices covering organizational culture, leadership support, communication and feedback, rewards and recognition, career growth, work-life balance, flexible work, and training and development.

## 3. RESEARCH METHODOLOGY

The study adopted a quantitative research approach using primary data collected through a structured questionnaire. The target population consisted of Generation Z employees working in organizations in Bangalore across sectors including IT/ITES, Banking and Finance, Manufacturing, Healthcare, and other services. A non-probability convenience sampling technique was used because respondents were selected based on accessibility through LinkedIn, WhatsApp groups, email, and Google Forms.

The completed data analysis reported in the dissertation is based on 160 usable respondents. The analysis therefore uses 160 observations. The questionnaire contained 25 items used for reliability analysis and covered perceptions relating to organizational culture, leadership, communication, engagement, retention, work-life balance, career development, rewards, and flexible work.

Descriptive statistics, including frequency and percentage, were used to summarize respondent characteristics and responses. Cronbach's Alpha was used to assess internal consistency. Pearson's correlation was used to examine relationships between relevant study variables, while ANOVA and regression analysis were used to assess differences and the influence of selected predictors. The dissertation reports that the data were coded and analysed using IBM SPSS Statistics.

## 4. RESULTS AND DISCUSSION

The final analysis included 160 Generation Z respondents. The sample was predominantly female, with 119 respondents (74%), while 41 (26%) were male. The largest age group was 22–25 years, representing 92 respondents (58%). Banking and Finance had the highest sector representation with 52 respondents (33%), followed by IT/ITES with 44 (28%) and Healthcare with 29 (18%). Most respondents had less than one year of work experience (104 respondents, 65%).

| Table -1: Respondent profile | Frequency | Percentage |
|------------------------------|-----------|------------|
| Female                       | 119       | 74%        |
| Male                         | 41        | 26%        |
| Age 22–25 years              | 92        | 58%        |
| Banking & Finance            | 52        | 33%        |
| IT/ITES                      | 44        | 28%        |
| Healthcare                   | 29        | 18%        |
| Less than 1 year experience  | 104       | 65%        |
| Total respondents            | 160       | 100%       |

### 4.1 Reliability Analysis

The questionnaire contained 25 items. The reported Cronbach's Alpha was 0.82, indicating good internal consistency. The sum of item variances was 358.167 and the variance of the total score was 834.387. The reliability result supports the use of the questionnaire for further statistical analysis.

| Table -2: Reliability statistics | Value   |
|----------------------------------|---------|
| Number of questions              | 25      |
| Sum of item variance             | 358.167 |
| Variance of total score          | 834.387 |
| Cronbach's Alpha                 | 0.82    |

#### 4.2 Descriptive Findings

The response patterns indicate generally favourable perceptions of organizational practices. For example, 85% of respondents agreed or strongly agreed that their organization promotes a positive work culture, and 84% reported that they feel respected and valued. Similarly, 79% gave a positive response regarding supervisor guidance, 80% indicated that leaders encourage ideas and suggestions, and 76% viewed organizational communication positively. These findings suggest that supportive organizational conditions are present for a substantial proportion of respondents.

The retention-related responses also show generally positive perceptions. Employees recognize the relevance of career opportunities, professional development, rewards, work-life balance, and flexible working arrangements. At the same time, the response to hybrid or remote work was more mixed than the responses to general organizational culture and leadership, indicating that flexibility may not be equally experienced by all respondents.

#### 4.3 Correlation Analysis

The dissertation reports a positive relationship between employee engagement and retention practices and concludes that employees who are more engaged are more likely to remain with their employers. One reported correlation between the intention to remain for the next three years and adequate career advancement opportunities was 0.344, indicating a positive association in the analysed sample.

#### 4.4 ANOVA Analysis

A single-factor ANOVA compared employees' intention to remain with the organization for the next three years with the extent to which wellness, recognition, and flexible work policies would encourage them to stay longer. The mean for intention to remain was 3.7375, while the mean for wellness, recognition, and flexible work policies was 3.86875. The reported F-value was 1.652 and the p-value was 0.200, which is above the 0.05 significance level. Thus, the difference was not statistically significant in this analysis, although the higher mean for wellness, recognition, and flexible work indicates a favourable perception of these practices.

| Table -3: ANOVA summary | Value |
|-------------------------|-------|
| F                       | 1.652 |
| p-value                 | 0.200 |
| Significance level      | 0.05  |

|          |                               |
|----------|-------------------------------|
| Decision | Not statistically significant |
|----------|-------------------------------|

#### 4.5 Regression Analysis

Regression analysis examined the influence of organizational culture and supervisor guidance on employees' intention to remain with the organization. The model included 160 observations. The multiple R was 0.339 and  $R^2$  was 0.115, meaning that the two predictors explained approximately 11.5% of the variation in retention intention. The overall model was statistically significant,  $F = 10.20$ ,  $p < 0.001$ .

| Table -4: Regression results | Coefficient ( $\beta$ ) | p-value |
|------------------------------|-------------------------|---------|
| Organizational culture       | 0.209                   | 0.044   |
| Supervisor guidance          | 0.296                   | 0.001   |
| Model R                      | 0.339                   | —       |
| $R^2$                        | 0.115                   | —       |
| Overall F                    | 10.20                   | <0.001  |

Both predictors had positive and statistically significant effects. Organizational culture had  $\beta = 0.209$  ( $p = 0.044$ ), while supervisor guidance had  $\beta = 0.296$  ( $p = 0.001$ ). Supervisor guidance therefore showed the comparatively stronger influence. The results indicate that a positive and inclusive culture and effective supervisory support can strengthen employees' intention to remain with the organization.

#### 5. KEY FINDINGS AND IMPLICATIONS

The study found an overall positive level of employee engagement among the 160 Generation Z respondents. Organizational culture, leadership, communication and feedback, rewards and recognition, career development, work-life balance, flexibility, and training and development emerged as important engagement and retention considerations in the study.

The findings are consistent with the literature reviewed in the dissertation, particularly research emphasizing supportive leadership, meaningful work, career growth, recognition, flexibility, and work-life balance. The results also support the theoretical position that positive exchanges between employees and organizations, adequate job resources, and fulfilment of employees' needs can strengthen engagement and commitment.

For managers, the findings suggest that retention strategies should move beyond compensation alone. Organizations should strengthen supervisory support, build a positive and inclusive culture, provide clear career development opportunities, recognize good performance, maintain open communication, and introduce flexible work and work-life balance practices where feasible. Regular engagement surveys can also help organizations identify changing expectations among Generation Z employees.

#### 6. CONCLUSIONS

The study concludes that employee engagement is closely connected with retention among Generation Z employees in Bangalore. The evidence indicates that supportive leadership, organizational culture, communication, recognition, career development, work-life balance, and flexible work practices are important conditions for creating an engaged workforce. The regression results specifically show that organizational culture and supervisor guidance significantly predict

employees' intention to remain, with supervisor guidance having the stronger coefficient.

The study contributes to understanding Generation Z retention in the Bangalore context by combining engagement and retention within one empirical investigation. However, the findings should be interpreted within the study's limitations, including the use of convenience sampling, the relatively small sample of 160 respondents, the focus on Bangalore, reliance on self-reported questionnaire responses, and the cross-sectional design. Future studies can use larger samples, include other Indian cities and generations, compare sectors, and use longitudinal designs.

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