

Determinants of employee retention among Gen Z employees in manufacturing plants across the CALABARZON region

Sammy Albert S. Aquino*

aquino.sammyalbert@gmail.com
Sto Tomas City, 4234, Philippines

Abstract

This study examined the key determinants of employee retention among Generation Z employees in manufacturing firms within the CALABARZON region of the Philippines. Anchored on the Perceived Organizational Support framework, the study investigated the effects of shared value, company attachment, emotional support, contribution, supervisor support, job satisfaction, and servant leadership on employees' intention to stay. A descriptive-quantitative research design was employed, and data were collected from 170 Gen Z employees aged 22 to 27 using a structured survey questionnaire adapted from Bautista et al. (2022). Data were analyzed using descriptive statistics and linear regression analysis. The findings revealed that job satisfaction was the strongest predictor of employee retention, explaining the largest proportion of variance. Supervisor support and servant leadership also demonstrated significant and relatively strong effects, highlighting the critical role of leadership in shaping retention outcomes. Emotional support, shared value, and company attachment were likewise found to have significant positive relationships with retention, although their explanatory power was comparatively lower. In contrast, contribution did not have a significant influence on employee retention. Descriptive results indicated that respondents reported low levels of shared value, company attachment, and emotional support, but high levels of job satisfaction, leadership support, contribution, and retention intention. Overall, the study concludes that employee retention among Gen Z employees is primarily driven by job satisfaction and leadership-related factors rather than emotional attachment or value alignment alone. The findings provide practical insights for organizations to enhance retention strategies.

Keywords: employee retention, Gen Z, CALABARZON, job satisfaction, huma resources

1. INTRODUCTION

1.1 Background of the Study

Employee retention is critical for businesses seeking to ensure continuity, reduce recruiting costs, and preserve institutional knowledge. In a highly competitive labor market, retaining competent and bright employees is critical to long-term organizational success. High turnover rates disrupt operations, lower employee morale, and increase the costs of finding and training replacements. As a result, organizations have

focused on implementing measures to encourage employee retention and development (Chatzoudes, 2022).

Employee retention is affected by several factors, including intrinsic and extrinsic motivators. Companies across industries are actively exploring ways to retain top talent, recognizing that workforce stability is critical to organizational success (Sarmiento, 2022). Fundamentally, work satisfaction, career progression opportunities, organizational culture, and leadership quality all influence an employee's decision to stay with a company (Lee, 2022). Retention issues are especially prevalent in rapidly changing industries like technology, retail, and finance, where employee expectations vary (Deloitte, 2023). Retention challenges are equally important in labor-intensive sectors such as manufacturing, where high attrition disrupts production continuity, increases overtime and defect rates, strains supervisory capacity, and depletes internal talent pipelines for skilled and technical roles.

New retention strategies must be considered as organizations adapt to accommodate new generations entering the workforce, such as Gen Z. Gen Z comprises individuals born between 1997 and 2012, and as of 2024, their age range is 14 to 29 years old and recent studies show that individuals aged 22–27, who belong to Generation Z, are already actively engaged in professional roles and are characterized by high digital adoption and workplace participation (Bautista, 2022). Gen Z is frequently described as values-driven, highly connected, digitally savvy, and acclimated to receiving feedback and information promptly. This cohort prioritizes congruence between personal and organizational values, inclusivity, flexibility, continuous learning, and meaningful work (PwC, 2023). The International Labour Organization (2022). predicted that this new generation would inherit a robust economy with unprecedentedly low unemployment rates. It is also anticipated that Gen Z will replace the older generations (millennials, Gen X, and boomers) as more workers of all ages enter the workforce. Gen Z employees exhibit high levels of engagement in the workplace. However, they also exhibit lower organizational attachment and tolerance for rigid hierarchies, traditional supervision styles, and limited career progression pathways. These characteristics are particularly prevalent in manufacturing environments (McKinsey, 2023). In the Philippines, Gen Z comprises approximately 41 million individuals, accounting for about 38% of the total population and 14.7% of the workforce. By 2025, this figure is anticipated to rise by 35% (Philippine Statistics Authority, 2022. In the CALABARZON region (Region IV-A), which is home to the country's largest concentration of manufacturing plants, recent labor reports have consistently shown a high rate of voluntary attrition among young workers, including Gen Z, particularly in the electronics, automotive, and consumer goods manufacturing sectors (Department of Labor and Employment - Region IV-A, 2023).

On a global scale, Gen Z employees are more likely to leave their current positions than their older counterparts. The report indicated that 40% of Gen Z employees intend to remain with their current employer

for three or more years, a figure that is at least 20 percentage points lower than that of other generations (Qualtrics, 2024). Gen Z is actively involved in the workplace, despite their low retention rates. This trend suggests a potential increase in turnover among Gen Z employees, posing a challenge for organizations seeking to maintain a stable workforce.

In contrast to their predecessors, Gen Z employees demonstrate higher job mobility and shorter tenure, despite organizations' efforts to improve employee satisfaction. Many of them choose to make frequent career changes in pursuit of better opportunities, rapid career growth, and personal fulfillment that is consistent with their personal and societal values (LinkedIn, 2022). Workplace trends: The ascension of Gen Z professionals. Nevertheless, the Philippines' conventional employment models frequently prioritize job security and tenure over these factors, resulting in a misalignment between Gen Z's expectations and current workplace practices. In the Philippines, companies continue to adhere to conventional work models that prioritize on-site presence and fixed schedules, which means that Gen Z's expectations for flexibility and work-life balance, such as hybrid or remote work options and flexible work and time arrangements, remain taboo. In manufacturing environments, where shift work, on-site operations, and standardized processes are prevalent, these misalignments are further exacerbated, leading to greater dissatisfaction and accelerated attrition among Gen Z employees (Ateneo de Manila University, 2024). These misalignments result in higher turnover rates among Gen Z employees, posing challenges to organizational stability and increasing recruitment costs.

Although most research on employee retention has focused on service-oriented sectors or mixed-generation samples, it has also extensively examined factors such as job satisfaction, leadership style, compensation, and organizational commitment across a variety of industries. Gen Z retention in the manufacturing sector, particularly in developing economies such as the Philippines, has received limited empirical attention. Additionally, there is a significant deficiency in region-specific analyses that account for localized labor dynamics, industrial concentration, and cultural context—factors essential to understanding the retention behavior of Gen Z manufacturing workers.

The primary objective of this study is to identify and analyze the key determinants of employee retention among the Gen Z workforce in manufacturing plants throughout the CALABARZON region of the Philippines. CALABARZON was chosen for its strategic role as the nation's manufacturing center, contributing the largest share of industrial output and employment nationwide. Consequently, it is a more suitable location to investigate Gen Z retention in manufacturing than less industrialized regions (PSA, 2023). The research endeavors to offer organizations actionable insights to help them develop effective human resource strategies that improve retention rates and cultivate long-term commitment among Gen Z employees by understanding these factors.

The study adheres to the Perceived Organizational Support (POS) framework, which includes components such as shared value (SV), company attachment (CA), emotional support (ES), contribution (C), supervisor support (SS), servant leadership (SL), and job satisfaction (JS). This framework posits that employees are more likely to experience greater job satisfaction, commitment, and retention when they believe the organization values their contributions and cares about their well-being. This framework provides a thorough understanding of the factors influencing employee retention, underscoring the importance of organizational support and value alignment in fostering a stable, dedicated workforce (Li, 2022).

1.1.1 Literature Review

The collective principles and beliefs that are embraced by both an organization and its personnel are referred to as shared value (SV). These values are the cornerstone of the organization's ethos, fostering a shared sense of purpose among all members and guiding behavior and decision-making (Almerri, 2023). Employee retention is substantially improved by a positive organizational culture that is defined by shared values, particularly when employees are actively engaged. This discovery underscores the importance of employee engagement and involvement in enhancing retention rates, as employees' emotional attachment to the organization is fortified by shared values. Synthesizing these findings, shared value promotes employee retention by aligning individual and organizational objectives. The likelihood of employees experiencing meaningful work and developing a long-term commitment increases when they perceive congruence between their personal beliefs and organizational values, thereby reducing turnover intentions.

According to Christopher (2024), employees who are highly identified with their organization are more likely to experience increased job satisfaction, reduced turnover intentions, and higher organizational commitment. The extent to which employees identify with the organization's values, mission, and ethos is referred to as company attachment (CA). This profound bond cultivates a sense of loyalty and inclusion within the organization. Strong company attachment fosters sustained engagement and loyalty by encouraging employees to internalize organizational objectives as their own. In general, company attachment functions as a psychological bond that secures employees to the organization. Research consistently indicates that employees with a strong attachment are less likely to pursue external opportunities, suggesting that cultivating organizational identification is a critical factor in enhancing employee retention.

Emotional support (ES) in the workplace refers to the availability of psychological and interpersonal resources that help employees manage stress, navigate challenges, and maintain their overall well-being. This support may be demonstrated through an organizational culture that prioritizes employee welfare, access to mental health resources, peer encouragement, and empathetic leadership. Recent studies have underscored the

critical function of emotional support in employee retention. According to a 2023 survey conducted by the American Psychological Association, 92% of employees prioritize working for an organization that supports their emotional and psychological well-being. Furthermore, research conducted in 2022 found that employees who receive high-quality recognition, a form of emotional support, are 45% less likely to leave their organization within 2 years (APA, 2023). Collectively, these results indicate that retention is directly influenced by emotional support, which addresses employees' psychological needs. Organizations that establish emotionally supportive environments cultivate trust and security, which in turn enhance employees' inclination to remain with the organization for an extended period.

Employee contribution, or contribution (C), refers to the contributions employees make to their organization, such as innovation, engagement, leadership behaviors, task performance, and time efficiency. This concept is crucial for understanding the extent to which individual performance contributes to an organization's overall success (Yi, 2024) and underscores the importance of acknowledging employee contributions to enhance retention. According to research conducted between 2022 and 2024, employees who receive high-quality recognition are 45% less likely to abandon their organizations within two years. Employees' perceived value within the organization is reinforced, and their efforts are validated through recognition. In conclusion, retention is influenced by employee contributions through the perception of acknowledgment and appreciation. Organizations are more likely to experience stronger organizational attachment and reduced turnover rates when they acknowledge and reward employee contributions, which in turn fosters a sense of value and motivation among employees.

Supportive supervisors significantly influence employees' daily work experiences. Supervisory support (SS) is the extent to which supervisors provide their employees with guidance, support, and understanding. According to Xin Liu (2024), employees' service performance is enhanced by consistent, supportive interactions with their supervisor. These results indicate that supervisory support not only improves employee performance but also motivates employees to remain with the organization by creating an environment of trust and open communication. The literature collectively suggests that supervisor support is a critical determinant of employee retention. Job satisfaction and organizational commitment are more likely among employees who perceive their supervisors as supportive, which in turn reduces their intention to leave.

Servant leadership (SL) is a leadership philosophy that emphasizes empathy, active listening, and a dedication to serving others, with a focus on employees' well-being and development. This leadership style cultivates an inclusive and supportive work environment. A 2022 study published in the *Journal of Sustainable Business and Management Solutions in Emerging Economies* investigated the influence of servant leadership on organizational commitment and job satisfaction. The research found a statistically significant positive

correlation among organizational commitment, job satisfaction, and servant leadership, suggesting that servant leadership may reduce intentions to leave. By cultivating trust, empowerment, and personal development, servant leadership contributes to employee retention, as evidenced by existing research. Servant leadership practices are implemented by leaders to fortify the emotional bond between employees and the organization, thereby increasing the likelihood of long-term retention.

The term "job satisfaction" (JS) encompasses a variety of factors, including the work environment, compensation, recognition, and development opportunities, which determine the degree to which employees feel content and fulfilled in their positions. Increased employee retention is closely linked to high levels of job satisfaction, as satisfied employees are more likely to remain with their organizations. Job satisfaction has a substantial impact on the decision of employees to remain with their current employers, according to a 2023 study published in the *Journal of Applied Psychology*. The research also underscored that employees who are content exhibit higher levels of organizational commitment and fewer intentions to pursue alternative employment (Hulu, 2024). A central predictor of employee retention is employment satisfaction. Job satisfaction is a critical outcome variable significantly influenced by organizational support factors, as consistent findings across studies indicate that employees who are content with their positions are more committed and less likely to leave.

1.1.2 Significance of the Study

Sustainable Development Goal 8 (SDG 8) is dedicated to promoting sustainable, inclusive, and long-term economic growth, full and productive employment, and decent work for all (The 17 Goals: Department of Economic and Social Affairs, 2025). Understanding the expectations and retention factors of Gen Z is essential for attaining this objective as they transition into the workforce. A workforce that is well-retained and engaged can contribute to economic resilience, innovation, and productivity, while a high turnover rate among youthful employees can disrupt economic stability (Austri, 2024). The research benefits a variety of stakeholders, including industries, institutions, economies, and society as a whole. Employers and organizations will reduce turnover costs by understanding these variables. Retaining Gen Z employees minimizes recruitment expenses and guarantees long-term workforce stability (Rivera, 2023). The recruitment and training of new employees is costly. Another advantage is enhanced employer branding and talent attraction. Gen Z talent is attracted to companies with robust retention policies, which establish these companies as desirable employers (Heimann, 2024). Additionally, an inclusive and diverse work environment is advantageous. Organizations enhance employee morale and collaboration by satisfying Gen Z's expectations for equitable treatment and inclusion (Enard, 2025). Organizations that adhere to the principles

of SDG 8 will also achieve sustainable business growth by developing more resilient, sustainable business models, thereby guaranteeing long-term success (Ortega, 2025). Additionally, this is advantageous for Gen Z employees. Companies that prioritize retention strategies will emphasize job security and career growth opportunities, facilitating stable employment, skill development, and career advancement. Employers who prioritize retention also provide Gen Z employees with opportunities for upskilling and lifelong learning, which improve their capabilities. Ultimately, a work environment that prioritizes engagement, diversity, and meaningful work and aligns with the professional values of Gen Z results in long-term job satisfaction (Anggapradja, 2022).

1.2 Research Frameworks

1.2.1 Conceptual Framework

Data were collected from 412 Gen Z engineers in the Philippines using purposive sampling in the study titled "Exploring Employee Retention among Gen Z Engineers in the Philippines Using Machine Learning Techniques" by Bautista et al. (2022). This current study was based on their work. The study aimed to evaluate the influence of various factors on the retention of Gen Z engineers, using machine learning techniques for feature selection and classification. In addition, the study investigated the influence of six of seven factors—namely, supervisor support, company attachment, job satisfaction, contribution, emotional support, and shared value—on Gen Z engineers' willingness to remain with their organizations. The investigation demonstrated that servant leadership was the sole element that was deemed insignificant. Utilizing machine learning methodologies, including classification models like Random Forests and Support Vector Machines, as well as feature selection techniques like permutation, backward elimination, and LASSO, the results were obtained. The investigation also investigated the direct and positive impact of organizational culture and leadership practices on the retention decisions of Gen Z engineers. The machine learning models exhibited remarkable accuracy in predicting retention factors, with a maximum of 90.10%. This underscores the importance of data-driven decision-making in human resources strategies. The results emphasize the importance of aligning organizational values with Gen Z's expectations to improve employee retention and overall workplace satisfaction.

Figure 1 illustrates the framework implemented by Bautista et al. (2022). The conceptual framework employed machine learning techniques and incorporated critical organizational and psychological components influencing employee retention among Gen Z engineers. The objective of the study was to enhance predictive models of employee retention by identifying the key factors influencing Gen Z engineers' decisions to remain with their organizations. The findings of the study revealed that employee retention was not driven by a single factor but rather by a set of interrelated organizational, psychological, and social variables that collectively

shaped employees' intention to stay. The results emphasized that workplace support, company culture, and individual job satisfaction served as primary drivers of retention, with each factor contributing both directly and indirectly to employees' commitment to the organization.

The study demonstrated that the factors influencing employee retention operated sequentially and reinforcingly, beginning with supervisor support and progressing through company attachment, job satisfaction, contribution, emotional support, and shared value. Among these, supervisor support emerged as a foundational variable, significantly influencing downstream factors. Employees who perceived higher levels of guidance, recognition, and coaching from their supervisors reported stronger organizational attachment and higher levels of job satisfaction. This finding suggested that leadership behavior played a critical initiating role in shaping employees' overall workplace experience.

Company attachment was found to be a strong predictor of retention, as employees who developed emotional bonds with their organization exhibited greater loyalty and lower turnover intentions. The results indicated that when employees identified with the organization's goals and felt a sense of belonging, they were more likely to remain committed despite external opportunities. This emotional connection served as a mediating factor between supervisory practices and retention outcomes.

Job satisfaction also emerged as a significant determinant of retention, reflecting employees' overall evaluation of their work environment. The study found that satisfaction with job roles, career advancement opportunities, and workplace conditions directly increased employees' intention to stay. Moreover, job satisfaction functioned as a key linking variable that translated positive organizational experiences into retention behavior.

The concept of contribution, or meaningful work, was likewise found to significantly influence retention. Employees who perceived their work as valuable and impactful demonstrated higher levels of engagement and were less likely to consider leaving the organization. This finding underscored the importance of aligning job roles with employees' skills and providing clarity on how individual efforts contribute to broader organizational success.

Emotional support further reinforced retention by fostering a positive and psychologically safe work environment. The study revealed that employees who experienced encouragement, empathy, and strong interpersonal relationships within the workplace were more likely to remain with their organization. Emotional support acted as both a direct predictor of retention and a reinforcing factor that strengthened the effects of other variables, such as job satisfaction and company attachment.

Shared value was identified as a critical factor influencing long-term retention. The results showed that when employees' personal beliefs and values aligned with the organization's mission and culture, they

exhibited stronger commitment and a higher likelihood of staying. This alignment reduced internal conflict and enhanced employees' sense of purpose within the organization.

Using machine learning algorithms, the study further illustrated the causal pathways among these variables, confirming that the relationships were predominantly unidirectional and sequential. Supervisor support influenced company attachment, which in turn affected job satisfaction, followed by contribution, emotional support, and shared value, ultimately leading to employee retention and extended job tenure. The predictive model demonstrated that early-stage variables, particularly supervisor support, had cascading effects on subsequent factors, highlighting the importance of leadership interventions in retention strategies.

Overall, the results provided robust, data-driven evidence that employee retention among Gen Z engineers was shaped by a dynamic interplay of leadership practices, emotional connections, job-related experiences, and value alignment. The study offered a comprehensive understanding of how these factors interacted to influence retention outcomes, thereby providing valuable insights for organizations seeking to enhance workforce stability and engagement.

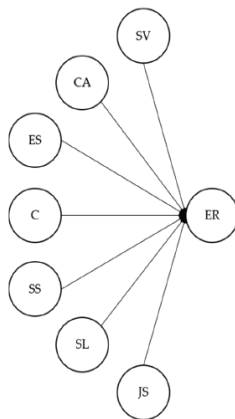


Figure 1. Conceptual Framework

Source: Exploring Employee Retention among Gen Z Engineers in the Philippines Using Machine Learning Techniques (Bautista, 2022)

1.2.2 Operational Framework

Bautista et al. (2022) found that several key factors substantially influence employee retention among Gen Z engineers. Supervisor support was identified as essential, as engineers who received mentorship, clear guidance, and career development support from their supervisors were more likely to remain with their

organizations. Retention was also influenced by company attachment, as employees who felt emotionally connected to their workplace demonstrated stronger loyalty. Furthermore, intentions to remain were enhanced by job satisfaction, which was shaped by factors such as work-life balance, opportunities for growth, and recognition. The study also emphasized the importance of meaningful work, showing that employees who perceived their contributions as valuable were more inclined to stay. In addition, emotional support from leaders and colleagues helped reduce attrition by fostering a positive and supportive work environment. Lastly, shared value played a key role, as employees whose personal values aligned with the organization's mission and culture were more likely to remain. Overall, these findings highlighted the importance of leadership, workplace relationships, and value alignment in improving retention among Gen Z employees.

Although Bautista et al. (2022) focused on Gen Z engineers in the Philippines, the present study examined these factors among Gen Z employees working in manufacturing firms across the CALABARZON region. In this study, employee retention was treated as the dependent variable and was operationalized as "intention to stay." This refers to the employee's likelihood or willingness to continue working in the organization over a given period. It was measured using a survey instrument where respondents rated statements related to their plans to remain in the company, their willingness to build a long-term career, and their lack of intention to leave. The use of intention to stay allowed the study to capture retention behavior in a measurable and practical way within a cross-sectional research design.

The independent variables identified by Bautista et al. (2022) were applied in this study as measurable constructs and were translated into specific survey indicators.

Supervisor support was used as a variable to measure how employees perceived the level of support provided by their immediate supervisors. It was assessed through survey items that captured the extent to which supervisors gave clear instructions, provided helpful feedback, offered guidance in completing tasks, recognized employee efforts, and supported career development. This variable aimed to determine how leadership behavior influenced employees' attitudes and intention to stay.

Company attachment was used to measure the emotional connection of employees to their organization. It was assessed through statements related to employees' sense of belonging, pride in being part of the organization, and emotional attachment to the company. This variable helped determine whether employees who felt more connected to their organization were more likely to remain.

Job satisfaction was used to capture employees' overall evaluation of their job experience. It was measured through survey items that assessed satisfaction with salary and benefits, opportunities for growth, work environment, workload, and recognition. This variable was important in determining whether positive job experiences contributed to higher retention intention.

Contribution (meaningful work) was used to measure how employees perceived the importance and impact of their work. It was assessed through statements that reflected whether employees believed their work contributed to organizational success, matched their skills, and gave them a sense of purpose. This variable examined whether employees who found their work meaningful were more likely to stay.

Emotional support was used to evaluate the level of interpersonal support employees received in the workplace. It was measured through survey items related to encouragement from supervisors and colleagues, feeling valued, teamwork, and the presence of a supportive work environment. This variable aimed to determine how workplace relationships influenced retention.

Shared value was used to measure the alignment between employees' personal values and the organization's values. It was assessed through statements regarding agreement with the company's mission, comfort with organizational culture, and alignment with company practices and beliefs. This variable helped determine whether value alignment influenced employees' decision to remain in the organization.

In addition to these variables, the study included servant leadership as an independent variable to further examine leadership influence in a manufacturing setting. Servant leadership was used to measure the extent to which leaders prioritized employee well-being, supported development, and demonstrated empathy and ethical behavior. It was assessed through survey items that reflected leaders' willingness to listen, support employees' growth, and put employees' needs first. Although Bautista et al. (2022) found this variable to be insignificant, its inclusion in this study allowed for a re-examination of its relevance in a different work context, particularly in environments where daily supervision and direct interaction with employees are more prominent.

All variables in this study were measured using a structured questionnaire with a five-point Likert scale ranging from strongly disagree to strongly agree. Each variable consisted of multiple items to ensure a more reliable measurement of the construct. The responses for each variable were averaged to generate composite scores, which were then used in statistical analysis to determine the relationship between each independent variable and employee retention.

This study investigated the extent to which employee retention among Gen Z employees was influenced by supervisor support, company attachment, job satisfaction, contribution, emotional support, shared value, and servant leadership, as illustrated in Figure 2. By operationalizing these variables into measurable survey indicators, the study provided a structured approach to examining how different workplace factors contributed to retention in the manufacturing sector.

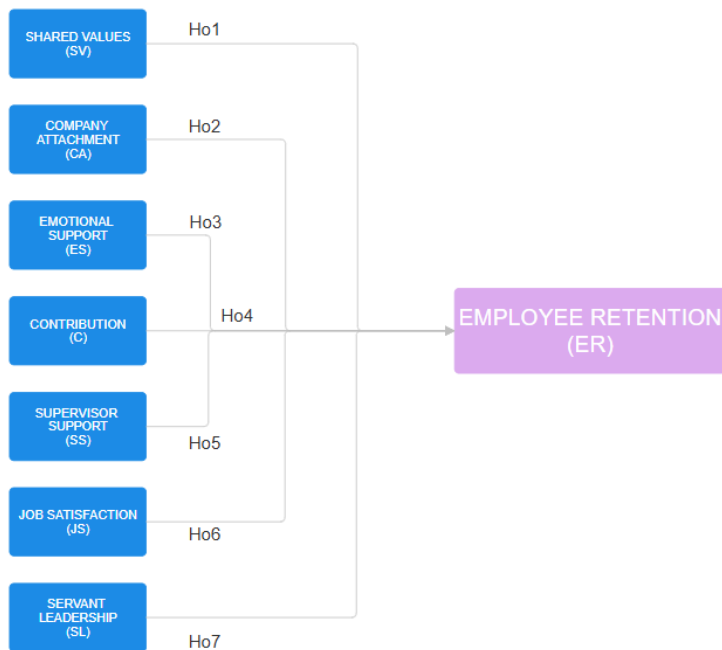


Figure 2. Operational Framework

1.3 Objectives of the Study

The objective of this study is to investigate the impact of supervisor support, company attachment, contribution, job satisfaction, emotional support, servant leadership, and shared value on the retention of Gen Z employees in CALABARZON manufacturing plants. It aims to improve retention strategies by promoting workplace policies aligned with Gen Z expectations, fostering collaboration among HR executives and industry stakeholders, and culminating in an impact report to guide long-term workforce stability and HR innovation in the region. The study also aims to produce a practical output and an evidence-based retention framework that manufacturing organizations can use as a reference for designing and enhancing human resource interventions tailored to Gen Z. Moreover, the study aims to generate actionable recommendations informed by the results to assist manufacturing organizations and HR practitioners in enhancing employee retention, leadership practices, and organizational support systems specifically designed for Gen Z employees.

Specifically, the study determines whether:

1. Shared value significantly affects employee retention.

2. Company attachment significantly affects employee retention;
3. Emotional support significantly affects employee retention;
4. Contribution significantly affects employee retention;
5. Supervisor support significantly affects employee retention;
6. Job satisfaction significantly affects employee retention;
7. Servant leadership significantly affects employee retention.
8. The results of the study can be used to develop practical and evidence-based recommendations for manufacturing organizations and human resource practitioners aimed at improving the retention of Gen Z employees..

1.4 Hypothesis

The following null hypotheses are formulated to investigate the relationship between employee retention and the selected organizational factors, in accordance with the study's objectives. The objective of these hypotheses is to ascertain whether shared values, company attachment, emotional support, contribution, supervisor support, job satisfaction, and servant leadership substantially influence employees' retention.

Considering the objectives articulated above, the following null hypotheses were tested:

- Ho1: Shared value (SV) does not significantly affect employee retention.
- Ho2: Company attachment (CA) does not significantly affect employee retention.
- Ho3: Emotional support (ES) does not significantly affect employee retention.
- Ho4: Contribution (C) does not significantly affect employee retention.
- Ho5: Supervisor support (SS) does not significantly affect employee retention.
- Ho6: Job satisfaction (JS) does not significantly affect employee retention.
- Ho7. Servant Leadership (SL) does not significantly affect employee retention

2. METHODS

This section describes the methodology used to generate the study's findings, including the research design, study locale, respondents, sampling approach, research instruments, and data analysis procedures that guided data collection and interpretation.

2.1 Research Design

The study adopted a descriptive–quantitative research design to assess Gen Z employees’ perceptions of supervisor support, organizational attachment, job satisfaction, contribution, emotional support, shared value, and servant leadership, as well as their employee retention.

The descriptive component examined the levels and patterns of these variables among Gen Z employees in manufacturing facilities in the CALABARZON region, thereby providing a comprehensive understanding of employees' perspectives on their work environment and organizational relationships.

The statistical relationships between these variables and employee retention were examined in the explanatory component. The study assessed the relative impact of supervisor support, organizational attachment, job satisfaction, contribution, emotional support, shared value, and servant leadership on employees' intention to remain with the organization.

Overall, the combined descriptive–explanatory quantitative design yielded empirical evidence to inform organizational strategies to enhance employee retention in manufacturing organizations and provided a structured analysis of retention patterns among Gen Z employees.

2.2 Locale of the Study

The survey was conducted by the researcher in manufacturing facilities located in the CALABARZON region, specifically in Cavite, Laguna, Batangas, Rizal, and Quezon. The study locale was this region, which is acknowledged as one of the Philippines' largest industrial centers. It is home to a variety of manufacturing firms in the electronics, automotive, food processing, and other sectors.

2.3 Respondents of the Study

The study's respondents were 170 Gen Z employees, aged 22 to 27 at the time of the survey, born between 1997 and 2012. They held a variety of positions in technical, enabling/support, and managerial capacities, indicating the regional workforce's heterogeneity.

2.4 Sampling Design

The researcher employed a stratified sampling approach with proportional allocation to gather data from Generation Z employees in manufacturing facilities throughout the CALABARZON region. Strata were established by province and key industry segment, and proportional allocation was implemented to ensure representativeness. Provinces were chosen as strata because CALABARZON, which includes Cavite, Laguna, Batangas, Rizal, and Quezon, is recognized as the nation's largest manufacturing hub, consistently

contributing a substantial share of the nation's manufacturing employment and output (Philippine Statistics Authority, 2022). Within this region, statistical data demonstrated that manufacturing establishments and employment were disproportionately concentrated in Cavite, Laguna, and Batangas. This concentration was indicative of greater industrial infrastructure, population centers, and investment density than in Rizal and Quezon (PSA ASPBI, 2022). Table 1 illustrates the partition of respondents by province.

Table 1. Province Allocation Respondent's Split

Province	Share (%)	Sample (n)
Cavite	28.82	49
Laguna	25.88	44
Batangas	27.06	46
Rizal	10.59	18
Quezon	7.65	13
Total	100	170

The national and regional distributions of manufacturing employment were used to identify the major industry segments. The electronics and electrical components subsector has consistently employed the most workers among manufacturing subsectors nationwide, as indicated by the 2022 Annual Survey of Philippine Business and Industry (ASPBI). Food products and automotive or transport equipment manufacturing were also among the top contributors to employment (PSA, 2022). The manufacturing profile of CALABARZON was consistent with these patterns, as electronics, automotive parts, food processing, and other manufacturing industries (e.g., chemicals and fast-moving consumer goods) were among the most prevalent sectors operating in the region's economic zones and industrial parks (Philippine Investment Guide, Board of Investments, 2023). The sector allocation responder's division is illustrated in Table 2.

Table 2. Sector Allocation Respondent's Split

Sector	Share (%)	Sample (n)
Electronics	39.41	67
Automotive/Parts	27.64	47
Foods and Beverage Processing	22.35	38
Other manufacturing (FMCG, chemicals, etc.)	10.60	18
Total	100	170

The allocation also relied on industry reports and practitioners' insights when precise public statistics on each sector's workforce share in CALABARZON were limited. During the researcher's field experience and consultations with HR practitioners in CALABARZON manufacturing plants, it was confirmed that the electronics and automotive sectors tended to have larger Gen Z workforces. In contrast, food processing and other manufacturing categories were comparatively smaller but significant. This distribution ensured that the sample accurately represented the region's manufacturing landscape in both practical industry patterns and statistical prevalence.

A buffer was included to account for nonresponse, and the intended sample size was approximately 120 respondents, as determined by a linear regression power analysis (7 predictors, $\alpha = 0.05$, power = 0.80, medium effect size, $f^2 = 0.15$). The researcher used professional networks and social media platforms to distribute the online survey forms to potential respondents, rather than randomly selecting them at the plant level. This method facilitated participation across technical, enabling, or support, and managerial roles, broadened reach, and enhanced accessibility, in accordance with the recommended practices for collecting organizational survey data when complete employee lists may not be available (Creswell & Creswell, 2022). The cross-stratified allocation of the sample by province and sector is illustrated in Table 3.

Table 3. Cross-Stratified Allocation (Province x Sector)

Province and Sector	Electronics	Automotive and Parts	Food Processing	Others	Province Total (n)
Cavite (n=49)	18	12	13	6	49
Laguna (n=44)	16	13	10	5	34
Batangas (n=46)	20	12	9	5	46
Rizal (n=18)	7	7	3	1	18
Quezon (n=13)	6	3	3	1	12
Total	67	47	38	18	170

2.5 Research Tools and Instruments

This study employed a structured survey questionnaire that was adapted from Bautista et al. (2022). The questionnaire consisted of 39 items that were distributed across eight variables: shared value (3), company attachment (3), emotional support (5), contribution (3), supervisor support (5), job satisfaction (5), servant leadership (7), and employee retention (8). The instrument began with an introductory section that outlined the study's objectives and the information respondents were expected to provide.

Additionally, participants were guaranteed that their responses would be kept confidential and used exclusively for academic research purposes in this Section. Furthermore, a consent statement was included, requiring participants to provide voluntary consent before commencing the survey.

Respondents were also asked to provide pertinent demographic information, such as their age and occupation, to ensure that the participants met the qualifications for Generation Z employees in manufacturing organizations in the CALABARZON region. Participants were directed to select the response option that most accurately represented their opinions on each statement in the questionnaire from this point forward.

The survey items assessing the study variables were evaluated on a four-point Likert scale, ranging from 1 (Strongly Disagree) to 4 (Strongly Agree). This scale enabled respondents to indicate the degree of agreement with each statement regarding employee retention, emotional support, contribution, supervisor support, job satisfaction, servant leadership, and shared value. A pilot study was conducted among 38 individuals from the study's target population to ensure that the questions were presented consistently and clearly understood in the Philippine setting. Table 4 summarizes the reliability of the survey items, as indicated by an aggregate Cronbach's alpha of 0.966.

Table 4. Reliability Coefficient per Variable

Variable	N	Items	Cronbach's α	Interpretation
Shared value	38	3	0.776	Acceptable
Company Attachment	38	3	0.894	Good
Emotional Support	38	5	0.908	Excellent
Contribution	38	3	0.785	Acceptable
Supervisor Support	38	5	0.908	Excellent
Job Satisfaction	38	5	0.838	Good
Servant Leadership	38	7	0.883	Good
Employee Retention	38	8	0.897	Good
Overall	38	39	0.966	Excellent

G. Data Analysis and Interpretation

Descriptive and inferential statistics were implemented to analyze the collected data. Descriptive statistics, which encapsulated the demographic profiles and respondents' perceptions of the study variables, included

frequency counts, percentages, and averages. To investigate the concurrent influence of shared value, corporate connection, emotional support, contribution, supervisor support, work contentment, and servant leadership on employee retention, inferential statistics were used, specifically single linear regression.

The regression analysis generated β coefficients (β), which denote the direction (positive or negative) and magnitude of the association between each independent variable and employee retention. It also produced an R^2 value, which indicated the extent to which the aggregate influence of all independent variables accounted for variation in employee retention.

A p-value of less than 0.05 suggested that a factor had a statistically significant impact on employee retention. In contrast, a p-value greater than 0.05 suggested that the factor did not have a significant impact.

Table 5. Mean Ranges of Verbal Interpretation

Scale Point	Response Category	Verbal Interpretation	Mean Range
4	Strongly Agree	Very High	3.26 – 4.00
3	Agree	High	2.51 – 3.25
2	Disagree	Low	1.76 – 2.50
1	Strongly Disagree	Very Low	1.0 – 1.75

2.6 Data Analysis and Interpretation

Respondent characteristics and scale distributions were summarized using descriptive statistics. Tests of reliability and preliminary validity were implemented prior to hypothesis testing. Linear regression was used to evaluate hypotheses about the effects of individual predictors. All tests were two-tailed, with a significance level of $\alpha = 0.05$. p-values that are exceedingly minuscule are denoted as $p < .001$.

2.7 Ethical Consideration

The study strictly followed the ethical standards established by De La Salle Lipa. The questionnaire clearly stated that participation was voluntary and that respondents could withdraw at any time during the survey process. It also emphasized the protection of respondents' privacy and explained that data were analyzed using aggregated responses rather than individual results.

In addition, the researcher obtained review and approval from the Research Ethics Review Committee prior to conducting the study. The online questionnaire survey complied with the Ethical Guidelines for Online Survey Design issued by the Research Management and Coordination Office.

3. RESULTS AND DISCUSSION

A. Descriptive Statistics

This section summarizes respondents' perspectives on the primary variables examined in the study. The descriptive statistics from CALABARZON's manufacturing facilities provide an initial understanding of the levels of shared values, company attachment, emotional support, contribution, supervisor support, job satisfaction, servant leadership, and employee retention among Generation Z employees.

The descriptive statistics for the primary variables investigated in the study are summarized in Table 6. As indicated by the computed means and standard deviations, the variables show varying levels of perception.

Table 6. Mean Interpretation of the Variables Examined in the Study

Variable	Mean	Standard Deviation	Interpretation
Shared value	1.93	0.62	Low
Company Attachment	1.81	0.63	Low
Emotional Support	1.86	0.64	Low
Contribution	3.05	0.54	High
Supervisor Support	2.70	0.74	High
Job Satisfaction	2.76	0.62	High
Servant Leadership	2.68	0.72	High
Employee Retention	2.61	0.65	High

The results showed that respondents reported low shared values ($M = 1.93$, $SD = 0.62$), meaning employees felt that their personal values were not well aligned with the values promoted by the organization. Similarly, company attachment ($M = 1.81$, $SD = 0.63$) was also low, indicating that employees did not feel a strong sense of connection or loyalty to their organization. In the same way, emotional support ($M = 1.86$, $SD = 0.64$) was rated as low, suggesting that employees experienced limited encouragement, understanding, and support from their supervisors and colleagues. Overall, these results suggest that employees did not strongly feel connected to the organization on a personal or emotional level.

Respondents reported the highest level of contribution ($M = 3.05$, $SD = 0.54$), indicating that employees believed their work was important and had a clear impact on the organization. This suggests that employees were able to see the value of their roles and how their individual efforts contributed to overall organizational goals. Such a perception of meaningful work may strengthen employee engagement and motivation, as individuals are more likely to remain committed when they feel that their work has purpose and relevance.

This was followed by job satisfaction ($M = 2.76$, $SD = 0.62$), which was interpreted as high, suggesting that employees were generally satisfied with their jobs. This includes satisfaction with their assigned tasks, working conditions, and overall job experience. High job satisfaction implies that employees' expectations regarding their roles and work environment were largely met, which can contribute to positive attitudes toward the organization and reduce the likelihood of turnover.

Next, supervisor support ($M = 2.70$, $SD = 0.74$) was also rated as high, indicating that employees generally felt supported and guided by their supervisors in performing their duties. This finding suggests that supervisors played an important role in providing direction, assistance, and feedback, which may help employees perform more effectively and feel more confident in their roles. Supportive supervision can also foster trust and improve communication within the workplace, further enhancing employees' overall experience.

Lastly, servant leadership ($M = 2.68$, $SD = 0.72$) was likewise interpreted as high, suggesting that employees viewed their leaders as caring, supportive, and attentive to their well-being and development. This indicates that leadership practices within the organization were perceived as people-oriented, where leaders were not only focused on performance but also on supporting employees' personal and professional growth.

Following these findings, respondents also reported high levels of employee retention intention ($M = 2.61$, $SD = 0.65$), indicating that employees generally demonstrated a willingness to remain employed in their organizations. This suggests that the positive perceptions related to meaningful work, job satisfaction, and leadership support may have contributed to employees' decision to stay despite other less favorable factors.

Overall, the results demonstrate that employees had generally positive perceptions of their work, leadership, and overall job experience. The relatively higher rating of contribution compared to the other variables suggests that meaningful work may be a particularly strong factor in shaping positive employee attitudes. At the same time, the consistently high ratings across job satisfaction, supervisor support, servant leadership, and retention intention indicate that both job-related and leadership-related factors contribute to creating a favorable work environment. These findings further suggest that practical and experience-based factors may have a stronger influence on employee retention than emotional and value-based factors, reinforcing the importance of meaningful work, supportive leadership, and overall job satisfaction in retaining Gen Z employees.

Linear Regression Analysis

This section presents the regression analysis results examining the effects of shared value, company attachment, emotional support, contribution, supervisor support, job satisfaction, and servant leadership on employee retention among Generation Z employees.

1. Effect of Shared Value on Employee Retention

Table 7. Linear Regression Results for the Effect of Shared Value on Employee Retention

Model	R ²	Unstandardized Coefficient (B)	Std. Error	Beta	t-value	p-value	Interpretation
(Constant)		2.216	0.154		14.358	<0.001	Significant
Shared value	0.040	0.205	0.078	0.199	2.633	0.009	Significant

Table 7 presents the linear regression results examining the effect of shared value on employee retention. The results indicated that shared value had a positive and statistically significant influence on employee retention ($B = 0.205$, $\beta = 0.199$, $t = 2.633$, $p = 0.009$). Since the p-value is less than the 0.05 level of significance, the null hypothesis was rejected, confirming that shared value significantly predicts employees' intention to stay in the organization.

The model further showed that shared value explained 4.0% of the variance in employee retention ($R^2 = 0.040$). Although the explanatory power is relatively low, the relationship remains statistically significant, indicating that shared value is still an important factor influencing retention, but it operates alongside other variables not included in this specific model. This suggests that while value alignment contributes to retention, it is not the sole determinant of employees' decision to remain in the organization.

The findings imply that employees who perceive a stronger alignment between their personal values and the organization's mission, culture, and practices are more likely to stay. When employees feel that their beliefs and principles are consistent with those of the organization, they are more likely to develop a sense of belonging and commitment, which strengthens their intention to remain employed.

When viewed alongside the respondents' profile, the results provide further insight. The majority of respondents were young, early-career employees, with 31.18% having less than one year of experience and 43.53% having 2–3 years of experience. In addition, most respondents were regular employees (69.41%) and earned less than Php 25,000 (94.12%), indicating that they were in the early stages of their careers and may be more focused on job stability, income, and career development rather than deep value alignment. This may help explain the relatively low R^2 value, as employees at this stage may prioritize practical job-related factors over organizational values when deciding whether to stay.

Moreover, the dominance of respondents from the electronics/semiconductor (39.41%) and automotive/parts (27.64%) industries suggests that the sample largely came from highly structured and

production-oriented environments. In such settings, operational demands, performance targets, and job security may have a stronger influence on retention compared to value alignment alone. This further supports the finding that while shared value is significant, its overall contribution to retention is limited compared to other workplace factors.

Despite its relatively small explanatory power, the significance of shared value indicates that organizations should not disregard the role of value alignment. Even among employees who are primarily motivated by practical considerations, alignment with organizational values can still enhance commitment and strengthen retention over time.

This result is consistent with Schroth's (2023) research, which demonstrated that employees who perceive a strong alignment with organizational values are more likely to develop a sense of organizational commitment and belonging. In the same vein, Nguyen and Nguyen (2024) found that employees' intention to remain in their workplace is substantially influenced by value congruence between employees and organizations

2. Effect of Company Attachment on Employee Retention

Table 8. Linear Regression Results for the Effect of Company Attachment on Employee Retention

Model	R ²	Unstandardized Coefficient (B)	Std. Error	Beta	t-value	p-value	Interpretation
(Constant)		2.255	0.132		17.041	<0.001	Significant
Company Attachment	0.044	0.197	0.07	0.211	2.795	0.006	Significant

As shown in Table 8, the results revealed that company attachment had a positive and statistically significant influence on employee retention ($B = 0.197$, $\beta = 0.211$, $t = 2.795$, $p = 0.006$). Since the p-value is less than the 0.05 level of significance, the null hypothesis was rejected, confirming that company attachment significantly predicts employees' intention to stay in the organization.

The model further indicated that company attachment explained 4.4% of the variance in employee retention ($R^2 = 0.044$). Although the explanatory power is relatively low, the relationship remains statistically significant, suggesting that company attachment contributes to retention but is not the sole determining factor. This implies that employees' emotional connection to the organization plays a role in retention decisions, but other workplace factors may have a stronger influence.

The findings suggest that employees who feel a stronger sense of belonging and emotional attachment to their organization are more likely to remain employed. When employees identify with their organization and feel connected to it, they tend to develop higher levels of loyalty and commitment, which can positively

influence their intention to stay. This result supports the findings of Kim and Park (2022), which emphasized that employees with stronger emotional attachment to their organization demonstrate higher levels of commitment and are less likely to leave. Similarly, Deloitte (2023) reported that employees who establish a strong emotional connection with their organization are more likely to remain, even when alternative opportunities are available.

However, when these results are viewed alongside the respondents' profiles, further insights emerge. A large proportion of respondents were early-career employees, with 31.18% having less than one year of experience and 43.53% having 2–3 years of experience. In addition, the majority were regular employees (69.41%) but earned less than Php 25,000 (94.12%), indicating that many respondents may prioritize job stability, income, and career progression over emotional attachment to the organization. This may help explain why company attachment, while significant, only accounted for a small portion of the variation in employee retention.

Furthermore, most respondents were from the electronics/semiconductor (39.41%) and automotive/parts (27.64%) industries, which are typically structured and performance-driven environments. In such settings, employees may focus more on meeting operational demands and achieving performance targets rather than developing a strong emotional bond with the organization. As a result, company attachment may not be as strong compared to other factors, such as job satisfaction or supervisor support.

Overall, the findings indicate that company attachment is a significant but not dominant predictor of employee retention. While emotional connection and sense of belonging can enhance employees' intention to stay, their impact appears to be complemented by more practical factors such as job satisfaction, meaningful work, and leadership support. This suggests that organizations should not rely solely on fostering emotional attachment but should also strengthen other aspects of the work environment to effectively retain Gen Z employees.

3. Effect of Emotional Support on Employee Retention

Table 9. Linear Regression Results for the Effect of Emotional Support on Employee Retention

Model	R ²	Unstandardized Coefficient (B)	Std. Error	Beta	t-value	p-value	Interpretation
(Constant)		2.157	0.14		15.424	<0.001	Significant
Emotional Support	0.063	0.245	0.073	0.251	3.361	<0.001	Significant

As shown in Table 9, the results revealed that emotional support had a positive and statistically significant influence on employee retention ($B = 0.245$, $\beta = 0.251$, $t = 3.361$, $p < 0.001$). Since the p-value is

below the 0.05 level of significance, the null hypothesis was rejected, confirming that emotional support significantly predicts employees' intention to stay in the organization.

The model further indicated that emotional support explained 6.3% of the variance in employee retention ($R^2 = 0.063$). Although the explanatory power remains moderate, it is higher compared to shared value and company attachment, suggesting that emotional support plays a relatively stronger role in influencing retention among the variables examined individually.

The findings suggest that employees who receive encouragement, understanding, and support from supervisors and colleagues are more likely to remain in their organization. A work environment characterized by positive interpersonal relationships and psychological support enhances employees' sense of well-being, which in turn strengthens their intention to stay. This finding is consistent with Kim and Park (2022), who emphasized that emotional support from supervisors significantly improves employee commitment and engagement. Similarly, Saks (2022) highlighted that supportive workplace relationships enhance motivation and reduce turnover intention by creating a more positive and inclusive work environment.

When analyzed in relation to the respondents' profile, particularly gender and educational background, further insights emerge. The majority of respondents were male (71.18%), reflecting the typical composition of manufacturing environments. In such settings, workplace interactions may be more task-oriented and less focused on emotional expression. Despite this, the significant effect of emotional support indicates that employees still value encouragement, respect, and understanding in the workplace. This suggests that even in male-dominated and operational environments, emotional support remains an important factor in influencing retention.

In terms of educational attainment, most respondents were Bachelor's degree holders (59.41%), followed by high school graduates (40.59%), with no respondents holding postgraduate degrees. This indicates that the workforce is largely composed of employees engaged in technical and operational roles. For these employees, emotional support may be particularly important in helping them manage job demands, workplace stress, and limited advancement opportunities. Employees at this level may rely more on day-to-day interactions with supervisors and colleagues, making emotional support a key factor in sustaining motivation and commitment. This supports the view that supportive relationships in the workplace are essential in maintaining employee engagement, particularly among employees in operational roles.

Overall, the findings indicate that emotional support is a significant and relatively stronger predictor of employee retention compared to other relational factors such as shared value and company attachment. While job-related and structural factors remain important, the results emphasize that employees' experiences of support, encouragement, and positive relationships in the workplace play a crucial role in their decision to

stay. Therefore, organizations should prioritize fostering a supportive and respectful work environment, as strengthening emotional support systems can enhance retention, particularly among Gen Z employees in manufacturing settings.

4. Effect of Contribution on Employee Retention

Table 10. Linear Regression Results for the Effect of Contribution on Employee Retention

Model	R ²	Unstandardized Coefficient (B)	Std. Error	Beta	t-value	p-value	Interpretation
(Constant)		2.375	0.264		8.984	<0.001	Significant
Contribution	0.005	0.077	0.086	0.069	0.9	0.370	Not Significant

As shown in Table 10, the results revealed that contribution did not have a statistically significant influence on employee retention ($B = 0.077$, $\beta = 0.069$, $t = 0.900$, $p = 0.370$). Since the p-value is greater than the 0.05 level of significance, the null hypothesis was accepted, indicating that contribution does not significantly predict employees' intention to stay in the organization.

The model further showed that contribution explained only 0.5% of the variance in employee retention ($R^2 = 0.005$). This very low explanatory power suggests that contribution has minimal influence on retention decisions in this context. Despite employees perceiving their work as meaningful, this perception alone does not appear to be a strong determinant of their intention to remain with the organization.

These findings indicate that while employees may recognize the importance and impact of their work, such perceptions do not necessarily translate into long-term commitment or retention. This result contrasts with the findings of Rachmawati et al. (2023), who reported that employees who perceive their work as meaningful and valuable are more likely to exhibit higher engagement and retention. However, the present findings suggest that, in this context, employees may place greater importance on other factors when deciding whether to stay.

When examined in relation to the respondents' profile, particularly monthly income and years of work experience, a clearer explanation emerges. A significant majority of respondents (94.12%) earned less than Php 25,000, and most were in the early stages of their careers, with 31.18% having less than one year of experience and 43.53% having 2–3 years of experience. This suggests that employees may be more focused on financial stability, job security, and career advancement rather than on the perceived meaningfulness of their work. As a result, contribution may not be a primary factor influencing their decision to remain in the organization.

Additionally, the large proportion of respondents employed in electronics/semiconductor (39.41%) and automotive/parts (27.64%) industries indicates that many employees are working in structured, process-driven environments. In such settings, tasks may be repetitive and highly standardized, which could limit employees'

ability to strongly associate their individual contributions with broader organizational outcomes. Consequently, even if employees recognize that their work is important, this perception may not significantly influence their retention decisions.

One possible explanation for this outcome is that employees may not directly associate their sense of contribution with long-term employment decisions. Instead, they may prioritize factors that have a more immediate and tangible impact on their well-being, such as compensation, job satisfaction, leadership support, and workplace relationships. This suggests that while meaningful work remains important, it may function more as a supporting factor rather than a primary driver of retention in this context.

Overall, the findings indicate that contribution is not a significant predictor of employee retention among the respondents. This highlights the importance of focusing on more influential factors, such as job satisfaction, emotional support, and leadership, when developing strategies to retain Gen Z employees in manufacturing organizations.

5. Effect of Supervisor Support on Employee Retention

Table 11. Linear Regression Results for the Effect of Supervisor Support on Employee Retention

Model	R ²	Unstandardized Coefficient (B)	Std. Error	Beta	t-value	p-value	Interpretation
(Constant)		1.783	0.146		12.248	<0.001	Significant
Supervisor Support	0.169	0.307	0.052	0.411	5.842	<0.001	Significant

As shown in Table 11, the results revealed that supervisor support had a positive and statistically significant influence on employee retention ($B = 0.307$, $\beta = 0.411$, $t = 5.842$, $p < 0.001$). Since the p-value is below the 0.05 level of significance, the null hypothesis was rejected, confirming that supervisor support significantly predicts employees' intention to stay in the organization.

The model further indicated that supervisor support explained 16.9% of the variance in employee retention ($R^2 = 0.169$). This relatively higher explanatory power compared to other variables suggests that supervisor support is a strong predictor of retention. It indicates that employees' perception of guidance, assistance, and support from their supervisors plays a substantial role in shaping their decision to remain in the organization.

The findings suggest that employees who experience supportive supervision, through clear direction, recognition, and assistance, are more likely to feel valued and motivated, which strengthens their intention to stay. Supervisors serve as a direct link between the organization and employees, and their behavior significantly influences employees' work experience and attitudes. This finding is consistent with Kim and

Park (2022), who reported that supervisor support positively affects employee engagement, satisfaction, and retention. Supportive leadership fosters a work environment where employees feel appreciated and encouraged, leading to stronger organizational commitment.

When examined in relation to the respondents' profile, particularly employment status and years of work experience, further insights can be drawn. The majority of respondents were regular employees (69.41%), while a significant portion were still probationary (22.35%) and fixed-term (8.23%) employees. In addition, most respondents were in the early stages of their careers, with 31.18% having less than one year of experience and 43.53% having 2 to 3 years of experience. For employees in these stages, supervisors play a critical role in guiding their performance, helping them adjust to the work environment, and supporting their professional development. As a result, supervisor support becomes a key factor influencing their intention to remain.

Furthermore, considering that a large proportion of respondents earned less than Php 25,000 (94.12%), employees may rely more on non-monetary forms of support, such as guidance, recognition, and encouragement from supervisors. In this context, supervisor support can help improve employees' overall work experience and sense of value within the organization.

Overall, the findings indicate that supervisor support is one of the strongest predictors of employee retention among the variables examined. Compared to other factors, it has a more substantial influence on employees' intention to stay, particularly among early-career and operational-level employees. This highlights the critical role of supervisors in shaping employee experiences and suggests that organizations should prioritize developing supportive leadership practices to enhance retention among Gen Z employees in manufacturing settings

6. Effect of Job Satisfaction on Employee Retention

Table 12. Linear Regression Results for the Effect of Job Satisfaction on Employee Retention

Model	R ²	Unstandardized Coefficient (B)	Std. Error	Beta	t-value	p-value	Interpretation
(Constant)		0.869	0.196		4.428	<0.001	Significant
Job Satisfaction	0.325	0.631	0.07	0.57	8.987	<0.001	Significant

As shown in Table 12, the results revealed that job satisfaction had a positive and statistically significant influence on employee retention ($B = 0.631$, $\beta = 0.570$, $t = 8.987$, $p < 0.001$). Since the p-value is below the 0.05 level of significance, the null hypothesis was rejected, confirming that job satisfaction significantly predicts employees' intention to stay in the organization.

The model further indicated that job satisfaction explained 32.5% of the variance in employee retention

($R^2 = 0.325$). This represents the highest explanatory power among all variables examined, indicating that job satisfaction is the strongest predictor of employee retention in this study. This suggests that employees' overall evaluation of their job plays a critical role in determining whether they choose to remain in the organization.

The findings suggest that employees who are satisfied with their job responsibilities, work environment, compensation, and organizational practices are more likely to remain employed. When employees perceive that their needs and expectations are met, they tend to develop positive attitudes toward their work, which strengthens their intention to stay. This finding is consistent with Rachmawati et al. (2023), who identified job satisfaction as one of the most important determinants of employee retention across various industries.

When examined in relation to the respondents' profile, particularly gender and educational background, additional insights can be observed. The majority of respondents were male (71.18%), which reflects the typical composition of manufacturing environments. Despite this, the strong influence of job satisfaction suggests that satisfaction-related factors are universally important regardless of gender. Both male and female employees appear to place high value on their work experience, indicating that job satisfaction serves as a common determinant of retention across gender groups.

In terms of educational attainment, most respondents were Bachelor's degree holders (59.41%), followed by high school graduates (40.59%), with no respondents holding postgraduate degrees. This indicates that the workforce is largely composed of employees in operational and technical roles. For these groups, job satisfaction may be strongly influenced by practical aspects such as clear job roles, manageable workloads, supportive work environments, and opportunities for growth. Employees with this educational background may prioritize immediate work conditions and job stability over more abstract factors such as organizational values, which explains why job satisfaction emerged as the strongest predictor of retention.

Overall, the findings indicate that job satisfaction is the most significant predictor of employee retention among the variables examined. Compared to other factors, it has the strongest influence on employees' intention to stay, regardless of gender and educational background. This highlights the importance of creating a positive and supportive work environment, ensuring fair and consistent management practices, and providing opportunities for employee development. These results suggest that organizations should prioritize improving job satisfaction to effectively retain Gen Z employees in manufacturing settings.

7. Effect of Servant Leadership on Employee Retention

Table 13. Linear Regression Results for the Effect of Servant Leadership on Employee Retention

Model	R ²	Unstandardized Coefficient (B)	Std. Error	Beta	t-value	p-value	Interpretation
(Constant)		1.841	0.142		12.998	<0.001	Significant
Servant Leadership	0.157	0.288	0.051	0.397	5.602	<0.001	Significant

As shown in Table 13, the results revealed that servant leadership had a positive and statistically significant influence on employee retention ($B = 0.288$, $\beta = 0.397$, $t = 5.602$, $p < 0.001$). Since the p-value is below the 0.05 level of significance, the null hypothesis was rejected, confirming that servant leadership significantly predicts employees' intention to stay in the organization.

The model further indicated that servant leadership explained 15.7% of the variance in employee retention ($R^2 = 0.157$). This suggests that servant leadership is a relatively strong predictor of retention, with a level of influence comparable to supervisor support. It indicates that leadership behaviors that prioritize employee well-being and development play an important role in shaping employees' decisions to remain in the organization.

The findings suggest that employees who perceive their leaders as supportive, empathetic, and genuinely concerned about their well-being are more likely to remain employed. Leaders who practice servant leadership create a work environment where employees feel valued, respected, and empowered, which strengthens their commitment to the organization. This finding is consistent with Eva et al. (2022), who demonstrated that servant leadership enhances employee engagement, organizational commitment, and retention by focusing on employees' needs and personal growth.

When examined in relation to the respondents' profile, particularly gender and educational background, further insights can be observed. The majority of respondents were male (71.18%), reflecting the typical workforce composition in manufacturing environments. Despite this, the significant effect of servant leadership suggests that leadership behaviors centered on care, support, and employee development are valued regardless of gender. Both male and female employees appear to respond positively to leaders who demonstrate empathy and provide support, indicating that servant leadership is universally relevant in influencing retention.

In terms of educational attainment, most respondents were Bachelor's degree holders (59.41%), followed by high school graduates (40.59%), with no respondents holding postgraduate degrees. This suggests that the workforce is largely composed of employees in operational and technical roles. For these employees, servant leadership may be particularly important, as they rely on direct supervisors and leaders for guidance,

support, and development opportunities. Employees with this educational background may benefit more from leaders who are approachable and supportive, which can enhance their work experience and strengthen their intention to stay.

Overall, the findings indicate that servant leadership is a significant predictor of employee retention. Its relatively strong influence highlights the importance of leadership styles that prioritize employee well-being, support, and development. These results suggest that organizations should encourage leaders to adopt servant leadership practices to create a more supportive work environment and improve retention among Gen Z employees in manufacturing settings.

3.5 Conclusion

As workplaces continue to evolve and new generations enter the workforce, employee retention has become an increasingly critical concern for organizations, particularly in labor-intensive and competitive sectors such as manufacturing. Understanding the factors that influence employees' decisions to remain in their organizations is essential for maintaining workforce stability and enhancing overall organizational performance. This study contributed to the growing body of knowledge on employee retention by examining the effects of key organizational and leadership-related variables, namely shared value, company attachment, emotional support, contribution, supervisor support, job satisfaction, and servant leadership, on employee retention among Gen Z employees in the CALABARZON region.

The results of the study provided strong empirical evidence that multiple organizational factors significantly influence employee retention. Based on the regression analyses summarized in Table 15, six out of the seven hypothesized relationships were found to be statistically significant, leading to the rejection of their respective null hypotheses. Specifically, shared value, company attachment, emotional support, supervisor support, job satisfaction, and servant leadership were all found to have a significant positive influence on employees' intention to stay. These findings indicate that both relational factors and leadership practices play an important role in shaping retention outcomes.

Table 15. Summary of Hypothesis Testing

Hypothesis	Hypothesis Statement	Statistical Result	Decision
H ₀₁	Shared value (SV) does not significantly affect employee retention.	$p = .009 (< 0.05)$	Reject H ₀
H ₀₂	Company Attachment (CA) does not significantly affect employee retention.	$p = .006 (< 0.05)$	Reject H ₀
H ₀₃	Emotional Support (ES) does not significantly affect employee retention.	$p = <.001 (< 0.05)$	Reject H ₀
H ₀₄	Contribution (C) does not significantly affect employee retention.	$p = .370 (< 0.05)$	Accept H ₀
H ₀₅	Supervisor Support (SS) does not significantly affect employee retention.	$p = <.001 (< 0.05)$	Reject H ₀
H ₀₆	Job Satisfaction (JS) does not significantly affect employee retention.	$p = <.001 (< 0.05)$	Reject H ₀
H ₀₇	Servant Leadership (SL) does not significantly affect employee retention.	$p = <.001 (< 0.05)$	Reject H ₀

Among all variables examined, job satisfaction emerged as the most significant predictor of employee retention, explaining the largest proportion of variance in the dependent variable. This highlights that employees' overall evaluation of their job, including their work environment, responsibilities, and organizational practices, is the most influential factor in determining their intention to remain. This finding suggests that when employees feel satisfied and fulfilled in their roles, they are more likely to develop positive attitudes toward the organization and demonstrate stronger commitment.

Supervisor support and servant leadership were also found to be strong predictors of employee retention, emphasizing the critical role of leadership in influencing employee behavior. The findings suggest that employees who perceive their leaders as supportive, approachable, and concerned with their well-being are more likely to remain in the organization. This is particularly relevant for Gen Z employees, who tend to value guidance, feedback, and supportive leadership in their early career stages. Emotional support further reinforced this relationship, indicating that a workplace environment characterized by encouragement, understanding, and positive interpersonal relationships contributes to higher retention.

In contrast, the results revealed that contribution did not have a significant influence on employee retention, as indicated by its p-value exceeding the 0.05 level of significance. This suggests that employees' perception of the importance or impact of their work does not necessarily translate into their decision to remain in the organization. One possible explanation, based on the respondents' profile, is that the majority of employees were early in their careers, earning relatively low income and working in structured manufacturing environments. In such contexts, employees may prioritize more immediate and tangible factors such as job satisfaction, compensation, job security, and leadership support over the perceived meaningfulness of their work.

Overall, the findings of the study indicate that employee retention among Gen Z employees is primarily driven by practical and experience-based factors rather than emotional attachment or value alignment alone. While shared value and company attachment were found to be significant, their influence was relatively weaker compared to job satisfaction and leadership-related variables. This suggests that although alignment with organizational values and emotional connection contribute to retention, they are not the primary drivers in this context.

3.6 Recommendations

Initially, organizations should prioritize enhancing job satisfaction, as the study's findings indicate that it is the most significant predictor of employee retention. It is the responsibility of management to guarantee that employees are provided with a positive work environment, opportunities for professional development, equitable compensation, and meaningful work. Organizations may also wish to implement employee recognition programs, career development initiatives, and consistent feedback systems to ensure employees feel appreciated and motivated in their roles. Previous research has underscored the importance of employment satisfaction in determining employee engagement and retention. For example, Rachmawati et al. (2023) found that employees who are satisfied with their job responsibilities and work environment are more likely to remain loyal to their organizations. In the same vein, Nguyen and Nguyen (2024) emphasized that job satisfaction has a substantial impact on employees' retention, particularly among newer generations in the workforce.

Subsequently, organizations ought to enhance supervisory support and assistance in the workplace. The study's findings suggest that supportive supervisors significantly influence employees' intentions to remain employed. Consequently, managers and supervisors must receive training to exhibit effective leadership behaviors, including providing guidance, acknowledging employee contributions, facilitating open communication, and resolving work-related concerns. Supervisors may also benefit from leadership development programs by improving their interpersonal and management abilities, which in turn increases employee engagement and commitment. Research by Kim and Park (2022) emphasized that supervisor support improves employee engagement and organizational commitment, which in turn reduces employees' turnover intentions.

Third, organizations should cultivate a supportive organizational culture that encourages positive workplace relationships and emotional support. Although emotional support did not emerge as the most significant predictor in the combined regression model, it still exerted a substantial impact in the individual analyses and contributed to a positive work environment. Strengthening workplace relationships and

enhancing employee morale can be achieved by promoting cooperation, collaboration, and supportive interactions among employees. Strong interpersonal relationships among employees and supportive work environments are associated with higher engagement and employee retention, according to Nguyen and Nguyen (2024).

Fourth, organizations must foster value alignment between the organization and its employees. Strengthening employees' sense of affiliation and organizational commitment can be achieved by ensuring they understand and identify with the organization's mission, vision, and values. This may be accomplished by management through initiatives that reinforce the organization's fundamental values, foster employee engagement, and clearly communicate organizational goals. According to prior research, employees who perceive a correlation between their personal values and organizational values are more likely to exhibit higher organizational commitment and lower turnover intentions (Schroth, 2023).

Fifth, although this study did not reveal a significant correlation between contribution and employee retention, it remains imperative for organizations to ensure that employees perceive their work as meaningful and acknowledged. Employees who regard their work as valuable may experience increased motivation and engagement in their positions. By recognizing employees' accomplishments, providing constructive feedback, and enabling employees to participate in decision-making processes related to their work, management may foster this. Research has demonstrated that employees who perceive their work as meaningful exhibit higher levels of job satisfaction and engagement (Rachmawati et al., 2023).

Finally, future researchers may wish to investigate supplementary variables that may impact employee retention, including organizational culture, compensation and benefits, career advancement opportunities, and employee engagement. Future research may also investigate the influence of generational differences on employee retention behaviors, with particular emphasis on Generation Zers. A more profound understanding of the factors influencing employee retention across diverse organizational contexts may be achieved by broadening the scope of research.

In general, organizations can more effectively maintain a stable, committed workforce and improve employee retention by concentrating on increasing job satisfaction, strengthening supervisory support, and fostering a positive work environment.

3.7 Limitations of the Study

Although this investigation has yielded valuable insights, it is imperative to recognize its limitations. These limitations may offer opportunities for additional research and help contextualize the interpretation of the results.

The study initially employed a cross-sectional research design, which involved collecting data from respondents at a single point in time. Consequently, the study was unable to establish definitive causal relationships between employee retention and the independent variables. Longitudinal studies may offer a more comprehensive understanding of how these variables affect employee retention over time, even though regression analysis was used to examine relationships among variables.

In the second phase of the investigation, respondents were surveyed via a self-report questionnaire. Response bias, such as personal perception bias or social desirability bias, may affect self-reported responses. Respondents may have answered inquiries based on their subjective experiences or perceptions, which may not accurately reflect actual workplace conditions.

Third, the study's purview was restricted to a particular group of respondents, which may restrict the generalizability of the results to other industries or organizational contexts. Employee retention may be influenced by a variety of factors, including organizational culture, leadership styles, and workplace dynamics, which may differ across different sectors.

The study focused solely on seven organizational factors: shared values, company attachment, emotional support, contribution, supervisor support, job satisfaction, and servant leadership. Although these variables were discovered to offer valuable insights into employee retention, the present study did not consider other factors, including compensation and benefits, work-life balance, organizational culture, and career advancement opportunities, which may also influence employee retention.

Finally, the regression model accounted for 43.3% of the variation in employee retention. However, this implies that a portion of the remaining variation may still be attributable to variables not included in the model. To provide a more thorough understanding of the factors influencing employee retention, future research may investigate additional predictors.

In general, these constraints do not diminish the significance of the results; however, they highlight areas for future research to improve understanding of employee retention in organizational settings.

3.8 Declaration

This research was conducted in compliance with ethical research standards and was approved by the relevant ethics review authority. The data collected and presented in this research were used exclusively for academic purposes and handled with strict confidentiality to safeguard the privacy and identities of the participants.

The author employed OpenAI as a support tool to enhance the clarity and structure of specific sentences during the production of this manuscript. The author meticulously reviewed, edited, and refined all

suggestions to ensure accuracy, coherence, and adherence to academic standards. Nevertheless, the author independently devised and authored the majority of the content, analysis, interpretation of results, and conclusions presented in this report.

The author certifies that this research is original academic work and that all sources utilized in the study have been appropriately acknowledged and cited in accordance with ethical research and publication practices.

References

1. Al, W. B. (2024). The effect of job satisfaction on employee retention. Golden Ratio of Data in Summary.
2. Alan M. Saks (2022). Caring human resources management and employee engagement. *Human Resource Management Review*, 32(3), 100835.
3. Anggapradja, I., et al. (2022). Exploring job satisfaction among Gen Z working students at Widyatama University. *International Journal of Economics, Business and Management Research*.
4. American Psychological Association. (2023). 2023 Work in America survey: Workplaces as engines of psychological health and well-being.
5. Austri, G., et al. (2024). 3R's pillar as sustainable drivers of employees' intent to stay in life insurance agencies. ResearchGate.
6. Cahigas, P. Z. (2022). Exploring employee retention among Gen Z engineers in the Philippines using machine learning techniques.
7. Chatzoudes, D. (2022). Factors affecting employee retention: Proposing an original conceptual framework. *International Journal of Economics and Business Administration*.
8. Christopher, D. S. (2024). A decadal review of organizational identification: Insights from bibliometric analysis and content analysis. *Humanities and Social Sciences Communications*.
9. Deloitte. (2023). 2023 Gen Z and millennial survey: Addressing workplace challenges in a changing world.
10. Enard, K., et al. (2025). Leading with soft skills.
11. Euromonitor. (2024). Future of consumption: Unlocking Gen Z behaviour.
12. Eva, N., Robin, M., Sendjaya, S., van Dierendonck, D., & Liden, R. C. (2022). Servant leadership: A systematic review and call for future research. *The Leadership Quarterly*, 33(1), 101–115. <https://doi.org/10.1016/j.leaqua.2021.101564>
13. Gandhi, R. (2024). Unlocking the secrets of the 4-point Likert scale: A comprehensive guide.
14. Heimann, C. (2024). Employer branding on TikTok: A qualitative study on attracting Gen Z in the job market.
15. Ilke Inceoglu, Thomas, G., Chu, C., & Plans, D. (2018). Leadership behavior and employee well-being: An integrated review and a future research agenda. *The Leadership Quarterly*, 29(1), 179–202.
16. International Labour Organization. (2022). Global employment trends.
17. Jayatissa, D. (2023). Gen Z – A new lifeline: A systematic literature review. *Sri Lanka Journal of Social Sciences and Humanities*.
18. Kang, J. Y., et al. (2023). Do organizational values and leadership impact staff engagement, wellbeing, and patient satisfaction? *Journal of Healthcare Leadership*.
19. Kim, S., & Park, S. (2022). The role of supervisor support in enhancing employee engagement and

- organizational commitment. *Journal of Organizational Behavior*.
20. Lee, C. C., & Su-Han, H. (2022). Examining employee retention and motivation: The moderating effect of employee generation. *Evidence-Based HRM*.
 21. Li, M., et al. (2022). Prism of employee performance through the means of internal support: A study of perceived organizational support. *Psychology Research and Behavior Management*.
 22. LinkedIn. (2022). Workplace trends: The rise of Gen Z professionals.
 23. McKercher, B. (2023, November). Age or generation? Understanding behaviour differences.
 24. Moon, H. G. (2022). What influences company attachment and job performance in the COVID-19 era? Airline versus hotel employees. *Tourism Management Perspectives*.
 25. Nguyen, T. H., & Nguyen, H. T. (2024). Factors influencing employee retention among Generation Z workers in modern organizations. *International Journal of Human Resource Studies*.
 26. Ortega, S. A. (2025). Human capital and business success: Perspectives from emerging business professionals. *Journal of Lifestyle and SDGs*.
 27. Philippine Statistics Authority. (2022). Philippines census 2022.
 28. Qualtrics. (2024). Despite low retention scores, Gen Z are engaged at work.
 29. Rachmawati, D., Hidayat, R., & Setiawan, A. (2023). Job satisfaction and its influence on employee engagement and retention. *Journal of Human Resource Management Research*.
 30. Rivera, E., et al. (2023). Transforming construction engineering education through inclusiveness training and managing expectations. *Construction Research Congress*.
 31. Ruiz-Palomino, P., Yáñez-Araque, B., Jiménez-Estévez, P., & Gutiérrez-Broncano, S. (2022). Can servant leadership prevent hotel employee depression during the COVID-19 pandemic? A mediating and multigroup analysis. *Technological Forecasting and Social Change*.
 32. Sarmiento, J., et al. (2022). Employee retention strategies in Philippine workplaces: Addressing turnover challenges among young professionals. *Philippine Journal of Business Research*.
 33. Schroth, H. (2023). Are you ready for Gen Z in the workplace? *California Management Review*.
 34. Son, A. M. (2022). Gen Z in the Philippine labor force: Profile, perspectives, and prospects.
 35. United Nations Department of Economic and Social Affairs. (2025). The Sustainable Development Goals. <https://sdgs.un.org/goals>
 36. University of Adelaide. (2024). Gen Z workers: Values matter, and so does financial security.
 37. Xin Liu, X., et al. (2024). The impacts of supervisor support on employee service performance: A change perspective. *Journal of Service Research*.