

A COMPARATIVE STUDY OF EMPLOYEE LOYALTY AMONG GENERATION Y AND GENERATION Z IN MADURAI

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Abstract—Employee loyalty is an important factor influencing workforce stability, employee retention, organizational commitment, and long-term organizational performance. In contemporary workplaces, organizations must understand how employees from different generational cohorts perceive their relationship with their employers and the factors that encourage them to remain with an organization. This study examines employee loyalty among Generation Y and Generation Z employees working across various organizations in Madurai, Tamil Nadu. A descriptive and comparative research design was adopted, and primary data were collected through a structured questionnaire from 84 respondents, comprising 36 Generation Y employees and 48 Generation Z employees. Employee loyalty was assessed using a 10-item scale adapted from Meyer and Allen's three-component model of organizational commitment, covering affective, continuance, and normative loyalty. A separate nine-item scale was used to examine factors influencing employee loyalty. The reliability coefficients of the scales ranged from .853 to .958, indicating strong internal consistency within the sample. Welch's independent-samples t-tests and Mann–Whitney U tests were employed to compare the two generational groups. The results revealed no statistically significant difference between Generation Y and Generation Z in overall employee loyalty, its three dimensions, or the nine loyalty drivers examined. Overall loyalty scores were 3.09 for Generation Y and 2.98 for Generation Z, with a statistically non-significant difference ($t(72.6) = 0.491, p = .625$). The findings indicate that, within this sample, employee loyalty is not significantly differentiated by generational membership. The study recommends strengthening career development opportunities, managerial relationships, recognition practices, and work–life balance initiatives across the workforce. These findings provide exploratory insights for employers in Madurai while highlighting the need for further research using larger and more representative samples.

Keywords: Employee Loyalty; Generation Y; Generation Z; Organizational Commitment; Madurai; Generational Cohort Theory.

1. INTRODUCTION

Employee loyalty is an essential element of effective human resource management because it influences employees' willingness to remain with an organization, contribute to organizational objectives, and maintain a constructive relationship with their employer. Employees who develop a positive connection with their organization can contribute to continuity, institutional knowledge, teamwork, and organizational stability. However, employee loyalty has become increasingly complex in contemporary workplaces because of changing career expectations, technological advancement, evolving employment relationships, and greater awareness of alternative career opportunities.

Modern organizations employ individuals belonging to different generational cohorts, particularly Generation Y, commonly known as Millennials, and Generation Z. Generation Y is generally identified as individuals born between 1981 and 1996, while Generation Z is represented in this study by individuals born between 1997 and 2008, reflecting the working- age range captured in the sample. These groups have experienced different social, economic, technological, and educational environments during their formative years. Such experiences may influence their expectations concerning career progression, job security, workplace flexibility, recognition, managerial support, and organizational values (Strauss & Howe, 1991).

Madurai, a developing tier-2 city in Tamil Nadu, provides a relevant setting for examining employee loyalty. The city's employment environment includes organizations associated with textiles and manufacturing, information technology and IT-enabled services, banking, retail, education, and other service industries. Employees working in these sectors may experience different employment conditions and career opportunities. At the same time, local labour- market characteristics, family and community relationships, and the availability of alternative employment may influence employees' decisions to remain with their organizations.

Previous research has frequently associated Generation Y with career stability, professional development, and employer commitment, while Generation Z has often been characterized by stronger preferences for flexibility, autonomy, continuous learning, and value-driven employment. Nevertheless, these generalizations should not automatically be applied to every workplace or geographical context. Employee loyalty may depend not only on generational identity but also on the quality of management, organizational culture, career opportunities, recognition, compensation, and work–life balance.

Against this background, the present study compares employee loyalty among Generation Y and Generation Z employees working across various organizations in Madurai. It examines overall loyalty, its affective, continuance, and normative dimensions, and nine organizational factors associated with loyalty. By focusing on a tier-2 city and a general employee population rather than a single industry, the study seeks to contribute context-specific evidence to the discussion of generational differences in employee loyalty.

2. REVIEW OF LITERATURE

2.1 Organizational Commitment and Employee Loyalty

Meyer and Allen (1991) proposed the three-component model of organizational commitment, which provides the theoretical foundation for examining loyalty-related attitudes in the workplace. The model consists of affective, continuance, and normative commitment.

Affective commitment refers to an employee's emotional attachment to, identification with, and involvement in the organization. Continuance commitment concerns the perceived costs associated with leaving the organization, including the loss of employment benefits, accumulated experience, or alternative opportunities. Normative commitment represents an employee's perceived obligation to remain with the organization.

These three dimensions offer a structured approach to understanding why employees maintain their organizational relationships. An employee may remain because of emotional attachment, because leaving would involve considerable costs, or because the employee feels a responsibility to stay. Meyer and Allen's (1997) work further developed the application of this framework to organizational behaviour. In the present study, the model is used to compare loyalty-related attitudes between Generation Y and Generation Z.

2.2 Generational Cohort Theory

Generational Cohort Theory, associated with Strauss and Howe (1991), suggests that individuals who grow up during similar historical periods may develop shared attitudes and behavioural tendencies because of common social, economic, political, and technological experiences. This perspective provides a theoretical basis for investigating whether employees from different generations demonstrate different workplace expectations.

In organizational settings, generational comparisons commonly examine career aspirations, job security, communication preferences, work–life balance, and organizational commitment. However, generational categories should be treated as analytical groupings rather than definitive explanations of individual behaviour. Differences within a generation may also arise from education, occupation, family circumstances, organizational culture, and employment experience.

2.3 Global Perspectives on Generational Loyalty

International discussions of employee loyalty indicate that the relationship between generations and organizational commitment is not straightforward. McCrindle (2023) reported that Generation Y demonstrated comparatively high employer loyalty, while career progression remained an important consideration for younger employees. Such observations suggest that opportunities for advancement may influence employees' willingness to remain with an organization.

WorldatWork (2024) highlighted a changing understanding of corporate loyalty, with Generation Z and Millennials increasingly expecting fair treatment and meaningful employment relationships rather than unconditional commitment. Similarly, findings from Deloitte's Global 2022 Gen Z and Millennial Survey, as summarized by Ragan Communications

(2023), emphasized the importance of employee involvement in organizational change and the development of workplace belonging.

Together, these perspectives suggest that employee loyalty should be examined through both the degree of commitment employees report and the organizational conditions that support it. They also indicate that some loyalty drivers may be relevant across generational groups.

2.4 Indian Workplace Perspectives

Indian workplace studies have examined generational differences in work values, career expectations, and employee commitment. Singh and Bahl (2025), in their discussion of generational differences across IT, banking, hospitality, retail, and education, reported the importance of flexibility, timely feedback, and purpose-driven engagement among younger employees. These findings draw attention to the changing expectations of employees across different industries.

Arora and Vyas (2025), focusing on India's IT/ITeS sector, observed that Generation Y employees placed emphasis on career growth, job stability, and structured professional development, whereas Generation Z employees showed stronger preferences for flexibility, autonomy, continuous learning, and purposeful work.

Kelkar (2026) examined generational differences in dual organizational loyalty among Generation Z and Millennial employees in client-facing roles in Indian IT services firms. The study reported longer average tenure and stronger employer-centric loyalty among Millennial employees, while Generation Z employees demonstrated more conditional, values-oriented loyalty and higher voluntary turnover.

Although these studies provide a basis for expecting generational differences, their findings may be influenced by the sectors and employee groups examined. It is therefore necessary to investigate whether similar differences occur among employees working across a broader range of organizations and in different geographical settings.

2.5 Research Gap

Existing literature provides useful insights into generational work values, employee engagement, and organizational commitment. However, much of the Indian evidence discussed in this area focuses on IT/ITeS employees or uses broader work-value and engagement measures rather than examining employee loyalty directly among employees from multiple sectors.

There is comparatively limited empirical evidence concerning Generation Y and Generation Z loyalty within tier-2 cities such as Madurai. Local labour-market conditions and organizational contexts may influence employee attitudes differently from those observed in metropolitan employment centres. The present study addresses this gap by collecting primary data directly from Generation Y and Generation Z employees working across various organizations in Madurai and comparing their overall loyalty, loyalty dimensions, and perceived loyalty drivers.

3. OBJECTIVES OF THE STUDY

- i. To assess the level of employee loyalty among Generation Y employees working in Madurai.
- ii. To assess the level of employee loyalty among Generation Z employees working in Madurai.
- iii. To compare employee loyalty between Generation Y and Generation Z and determine whether the difference is statistically significant.
- iv. To identify the key factors influencing employee loyalty across the two generational cohorts.
- v. To offer human resource recommendations for enhancing employee loyalty among a generationally diverse workforce in Madurai.

4. HYPOTHESES OF THE STUDY

Hypothesis 1: Difference in Overall Employee Loyalty

- H0(1): There is no statistically significant difference in the overall level of employee loyalty between Generation Y and Generation Z employees in Madurai.
- H1(1): There is a statistically significant difference in the overall level of employee loyalty between Generation Y and Generation Z employees in Madurai.

Hypothesis 2: Difference in Loyalty Drivers

- H0(2): There is no statistically significant difference between Generation Y and Generation Z employees in the factors that influence their loyalty.
- H1(2): There is a statistically significant difference between Generation Y and Generation Z employees in the factors that influence their loyalty.

5. SCOPE AND SIGNIFICANCE OF THE STUDY

The geographical scope of the study is limited to Madurai, Tamil Nadu. It considers Generation Y and Generation Z employees working across different organizations without restricting the sample to a particular industry. The study examines overall employee loyalty through affective, continuance, and normative dimensions and evaluates nine factors associated with loyalty: workplace flexibility, career growth, recognition and feedback, values alignment, psychological safety, compensation and benefits, work–life balance, job security, and manager/team relationships.

The study is significant because it provides exploratory evidence on generational loyalty within a tier-2 city. Its results can help employers consider whether retention practices should be designed primarily around generational differences or around workplace factors that may matter to employees across age groups. The findings may also provide a comparative baseline for future studies in Madurai and other cities with similar employment contexts.

6. RESEARCH METHODOLOGY

6.1 Research Design

The study adopts a descriptive and comparative research design using a quantitative approach. The descriptive component examines the loyalty levels and demographic characteristics of the respondents, while the comparative component evaluates whether Generation Y and Generation Z differ significantly in overall loyalty, its three dimensions, and the identified loyalty drivers.

6.2 Population and Sample

The study population comprises Generation Y and Generation Z employees working in various organizations across Madurai. Primary data were collected through a self-administered Google Form distributed through personal and professional networks. A total of 84 usable responses were obtained, consisting of 36 Generation Y employees and 48 Generation Z employees.

6.3 Sampling Technique

Purposive (judgmental) sampling combined with convenience sampling was employed to reach accessible employees who identified themselves as belonging to Generation Y or Generation Z through a screening question. The study did not track or stratify respondents by industry or sector; therefore, the results represent the overall sample rather than a controlled comparison between industries.

6.4 Data Collection Instrument

The structured questionnaire consisted of four parts. Part A collected demographic and employment information, including age, gender, designation, years of experience, employment type, and organization size. Part B measured employee loyalty using 10 items adapted from Meyer and Allen's (1991, 1997) organizational commitment framework. These items covered affective loyalty (four items), continuance loyalty (three items), and normative loyalty (three items), using a five-point Likert scale.

Part C assessed nine loyalty drivers: flexibility, career growth, recognition, values alignment, psychological safety, compensation, work–life balance, job security, and manager/team relationships. These factors were drawn from the literature discussed by Kelkar (2026) and Arora and Vyas (2025). Part D included two optional open-ended questions. The reliability coefficients obtained for the scales ranged from .853 to .958.

6.5 Statistical Tools

The following statistical techniques were used:

1. **Descriptive statistics:** Means, standard deviations, and frequency distributions were used to summarize respondent characteristics and loyalty scores.

2. **Cronbach's alpha:** Internal consistency was examined for the loyalty subscales, overall loyalty scale, and loyalty-driver scale.
3. **Welch's independent-samples t-test:** This test was used to compare the mean scores of Generation Y and Generation Z without assuming equal population variances.
4. **Mann-Whitney U test:** This non-parametric test was used as a robustness check, considering the ordinal origin of Likert-scale responses and the modest, unequal group sizes.

The results were interpreted using the reported statistical significance values. The analysis focused on whether the observed differences between the two groups were statistically significant.

7. DATA ANALYSIS AND INTERPRETATION

A total of 84 valid responses were included in the analysis. Of these, 36 respondents belonged to Generation Y and 48 belonged to Generation Z. The mean age of Generation Y respondents was 32.9 years (SD = 7.1), whereas the mean age of Generation Z respondents was 23.0 years (SD = 2.1). Both groups consisted predominantly of male respondents and full-time employees. The demographic composition is presented in Table 1.

Table 1. Demographic Profile of Respondents

Characteristic	Generation Y (n = 36)	Generation Z (n = 48)
Mean age (SD)	32.9 (7.1)	23.0 (2.1)
Male / Female	28 / 8	35 / 13
Full-time employment	35 (97%)	44 (92%)

Interpretation: Generation Y respondents were older on average than Generation Z respondents, consistent with the generational classification used in the study. Male employees represented 78% of the Generation Y group and approximately 73% of the Generation Z group. Full-time employees accounted for 97% and 92% of the respective groups. These characteristics are relevant when interpreting the results because the sample is predominantly male and full-time, which may limit the generalizability of the findings to other employee populations.

Table 2. Reliability and Descriptive Statistics by Generation

Scale	Cronbach's α	Gen Y Mean (SD)	Gen Z Mean (SD)
Affective Loyalty (4 items)	.893	3.06 (1.17)	3.10 (1.02)
Continuance Loyalty (3 items)	.901	3.13 (1.17)	2.83 (1.12)
Normative Loyalty (3 items)	.853	3.11 (1.13)	2.96 (1.12)
Overall Loyalty (10 items)	.946	3.09 (1.06)	2.98 (0.99)
Loyalty Drivers (9 items)	.958	3.17 (1.15)	3.11 (1.10)

Interpretation: The reliability coefficients ranged from .853 to .958, indicating strong internal consistency across the measured scales within the present sample. The overall loyalty mean was 3.09 for Generation Y and 2.98 for Generation Z. Generation Y recorded a higher mean for continuance loyalty (3.13 compared with 2.83) and normative loyalty (3.11 compared with 2.96), while Generation Z recorded a marginally higher affective loyalty mean (3.10 compared with 3.06). These descriptive differences, however, must be interpreted alongside the inferential test results before drawing conclusions about generational differences.

Both groups reported overall loyalty scores close to the midpoint of the five-point scale. This pattern indicates moderate reported loyalty in the sample rather than a pronounced difference between the generations.

Table 3. Independent-Samples Welch's t-Test Comparing Generation Y and Generation Z

Dimension	t	df	p-value	Mann–Whitney p-value	Result
Affective Loyalty	-0.164	69.4	.870	.868	Not significant
Continuance Loyalty	1.171	73.5	.246	.156	Not significant
Normative Loyalty	0.596	75.4	.553	.497	Not significant
Overall Loyalty	0.491	72.6	.625	.368	Not significant
Loyalty Drivers	0.243	71.5	.808	.712	Not significant

Interpretation: The Welch's t-test results show that none of the five comparisons reached statistical significance. The p-value for overall loyalty was .625, which is above the conventional .05 significance level. The affective, continuance, and normative loyalty dimensions also showed non-significant differences, with p-values of .870, .246, and .553, respectively. The overall loyalty-driver comparison was likewise non-significant ($p = .808$).

The Mann–Whitney U results supported the same general conclusion. None of the corresponding non-parametric comparisons was statistically significant. Thus, although the two groups displayed some numerical differences in their mean scores, the available evidence does not establish statistically significant generational differences in loyalty or the combined loyalty-driver measure.

Table 4. Individual Loyalty-Driver Items by Generation

Loyalty Driver	Gen Y Mean	Gen Z Mean	t	p-value
Flexible/hybrid work	3.00	2.98	0.073	.942
Career growth/promotion	3.06	3.08	-0.091	.927
Recognition/feedback	3.12	3.17	-0.170	.866
Values alignment	3.23	3.21	0.054	.957
Psychological safety	3.31	3.12	0.665	.508
Compensation/benefits	3.31	3.04	0.952	.344
Work–life balance	3.34	3.15	0.673	.503
Job security	2.97	3.08	-0.380	.705
Manager/team relationship	3.20	3.26	-0.184	.854

Interpretation: None of the nine individual loyalty-driver items showed a statistically significant difference between Generation Y and Generation Z; all reported p-values exceeded .34. The highest numerical mean among Generation Y respondents was recorded for work–life balance (3.34), followed by psychological safety and compensation/benefits (both 3.31).

Among Generation Z respondents, manager/team relationship recorded a mean of 3.26, followed by values alignment (3.21) and work–life balance (3.15).

Career growth/promotion and recognition/feedback received similar ratings from both groups. Flexible/hybrid work and job security were comparatively lower-rated factors in the overall pattern of responses, although job security received a

slightly higher mean among Generation Z respondents. The differences in these individual ratings were not statistically significant. Consequently, the results suggest that the measured loyalty drivers were broadly similar across the two generational groups in this sample.

8. FINDINGS OF THE STUDY

The analysis produced the following principal findings:

- i. **No significant difference in overall employee loyalty:** Generation Y recorded a mean loyalty score of 3.09 (SD = 1.06), while Generation Z recorded 2.98 (SD = 0.99). The difference was not statistically significant, $t(72.6) = 0.491$, $p = .625$. Therefore, $H_0(1)$ is retained, and $H_1(1)$ is not supported by the results.
- ii. **No significant difference in affective loyalty:** The comparison between Generation Y and Generation Z yielded $p = .870$ in Welch's t-test. The Mann–Whitney U test also indicated no significant difference ($p = .868$).
- iii. **No significant difference in continuance loyalty:** Although Generation Y reported a higher mean continuance loyalty score (3.13) than Generation Z (2.83), the difference was not statistically significant ($t = 1.171$, $p = .246$; Mann–Whitney $p = .156$).
- iv. **No significant difference in normative loyalty:** The mean scores were 3.11 for Generation Y and 2.96 for Generation Z. The observed difference was not statistically significant ($p = .553$), and the non-parametric result was also non-significant ($p = .497$).
- v. **No significant difference in loyalty drivers:** The combined loyalty-driver measure did not differ significantly between the two groups ($t = 0.243$, $p = .808$; Mann–Whitney p
- vi. $= .712$).
- vii. **Individual loyalty drivers showed no significant generational differences:** All nine items had p-values above .34. Career growth, recognition, values alignment, work–life balance, and manager/team relationships received broadly comparable ratings from both groups.
- viii. **Moderate overall loyalty:** The mean overall loyalty scores of approximately 3.0 out of 5 indicate that neither generation demonstrated strongly polarized loyalty in the sample.
- ix. **Strong scale reliability:** Cronbach's alpha values ranged from .853 to .958, supporting the internal consistency of the scales used for the present analysis.
- x. **Retention of the second null hypothesis:** Since none of the nine individual loyalty- driver items showed a statistically significant generational difference, $H_0(2)$ is retained for the comparisons reported in the study. The findings do not establish a generational divide in the measured loyalty drivers.

9. DISCUSSION

The findings differ from some earlier Indian studies that reported stronger employer-centric loyalty among Millennials and more conditional, values-oriented loyalty among Generation Z employees. In particular, the results reported by Arora and Vyas (2025) and Kelkar (2026) suggest generational differences within India's IT/ITeS sector. In contrast, the present study, which examined employees across various organizations in Madurai without controlling for industry, found no statistically significant difference in overall loyalty, any of the three loyalty dimensions, or the individual loyalty drivers.

One possible explanation is the broader employment context of the sample. Generational differences observed in specialized sectors may not appear with the same strength in a sample that includes employees from different organizational environments. For example, career mobility, employee expectations, and turnover opportunities may operate differently across IT services, manufacturing, banking, education, retail, and other sectors. Since the present study did not record or control for sector as a comparison variable, it cannot determine whether industry differences influenced the observed results.

The tier-2 city context may also be relevant. Local employment opportunities, family and community relationships, and the availability of alternative employers may shape employees' decisions to remain with an organization. These contextual factors provide plausible explanations for the similarity observed in the sample, but they were not directly tested as variables in this study.

A further consideration is the sample size and composition. The study included 84 respondents selected through purposive and convenience sampling, with a higher proportion of Generation Z respondents and a male-dominated workforce in both groups. These characteristics may have limited the statistical power to detect smaller differences. Therefore, the absence of statistical significance should not be interpreted as proof that the two generations are identical in every aspect of loyalty.

The results also draw attention to the importance of organizational practices. Both groups reported similar ratings for the nine loyalty drivers, and the combined driver scores were not significantly different. This pattern is consistent with the perspectives discussed by WorlDatWork (2024) and Ragan Communications (2023), which emphasize fair treatment, recognition, employee involvement, and meaningful workplace relationships. In the present sample, the numerical ratings suggest that employees from both generations may respond to broadly similar organizational practices.

Overall, the study provides context-specific evidence that a clear generational difference in employee loyalty was not observed among the surveyed employees in Madurai. The findings support a cautious, organization-wide approach to employee retention while leaving open the possibility that larger, sector-specific studies may identify differences not detected in the present research.

10. SUGGESTIONS AND RECOMMENDATIONS

The study did not identify statistically significant generational differences in overall employee loyalty or the factors examined. Accordingly, the following recommendations emphasize common employee needs and organization-wide human resource practices rather than assuming that Generation Y and Generation Z require entirely different retention strategies.

10.1 Strengthen Career Development Opportunities

Organizations should establish transparent career progression pathways, provide opportunities for professional development, and communicate promotion criteria clearly. Career growth and promotion received comparable ratings from both generations. Employers can strengthen employee commitment by connecting individual career aspirations with organizational opportunities, providing development-oriented assignments, and encouraging continuous learning.

10.2 Improve Manager–Employee Relationships

Managers play an important role in shaping employees' day-to-day workplace experiences. Organizations should encourage open communication, constructive feedback, employee participation, and supportive supervision. Regular discussions about performance, career aspirations, and workplace concerns can help employees develop stronger relationships with their managers and teams.

10.3 Establish Consistent Recognition Practices

Recognition should be timely, fair, and connected to employees' contributions. Organizations can acknowledge achievements through constructive feedback, appreciation, performance-based recognition, and opportunities for greater responsibility. Since both groups reported similar ratings for recognition and feedback, these practices should be accessible to employees across generational categories.

10.4 Promote Work–Life Balance

Employers should examine workloads, work schedules, leave arrangements, and expectations regarding availability outside working hours. Work–life balance received comparatively high mean ratings, particularly among Generation Y respondents. Organizations should therefore treat work–life balance as a workforce-wide consideration rather than a benefit intended exclusively for younger employees.

10.5 Strengthen Psychological Safety and Values Alignment

Employees should feel comfortable expressing concerns, asking questions, sharing suggestions, and discussing workplace problems without unreasonable fear of negative consequences. Organizations can support psychological safety by encouraging respectful communication, responding constructively to employee feedback, and applying policies consistently. Communicating organizational values through actual managerial behaviour can further support trust.

10.6 Review Compensation and Employment Conditions

Although compensation and benefits did not show a significant generational difference, they remain relevant considerations in employee retention. Employers should review compensation fairness, benefits, role expectations, and

the relationship between employee contributions and rewards. Clear communication about compensation policies may help reduce uncertainty and strengthen perceptions of fairness.

10.7 Adopt Evidence-Based Retention Strategies

The findings do not support assuming that either Generation Y or Generation Z is inherently more loyal. Organizations should collect employee feedback, monitor turnover patterns, review exit interview responses, and evaluate the outcomes of retention initiatives. Generation-specific interventions may be piloted where local evidence justifies them, but their effectiveness should be assessed before wider implementation.

10.8 Treat Employee Loyalty as an Organization-Wide Priority

The overall loyalty scores of both groups were close to the midpoint of the scale. Organizations should therefore avoid assuming that employees are highly loyal simply because of their age or generation. A supportive organizational culture, clear career opportunities, effective supervision, recognition, and balanced working conditions should form part of an integrated employee retention strategy.

11. CONCLUSION

The present study examined employee loyalty among Generation Y and Generation Z employees working across various organizations in Madurai, Tamil Nadu. Using a descriptive and comparative research design, the study collected primary data from 84 respondents, comprising 36 Generation Y employees and 48 Generation Z employees. Employee loyalty was assessed using a 10-item scale adapted from Meyer and Allen's three-component model of organizational commitment, while a complementary nine-item scale measured factors associated with loyalty. The reliability coefficients ranged from .853 to .958, indicating strong internal consistency within the sample.

The results revealed no statistically significant difference between Generation Y and Generation Z in overall employee loyalty. The mean scores were 3.09 for Generation Y and

2.98 for Generation Z, with the difference remaining non-significant ($t(72.6) = 0.491, p = .625$). Similarly, no statistically significant differences were identified in affective, continuance, or normative loyalty. The individual loyalty-driver comparisons also showed no statistically significant generational differences, and the results were supported by Mann–Whitney U tests.

These findings differ from certain earlier Indian studies that identified generational differences within the IT/ITeS sector. However, the present study examined a broader employee population in a tier-2 city and did not control for industry. The results should therefore be interpreted within the geographical, sampling, and methodological boundaries of the research rather than generalized to all Generation Y and Generation Z employees.

From a human resource management perspective, the study highlights the value of career development, work–life balance, constructive managerial relationships, recognition, and supportive working environments. These practices may be considered across the workforce instead of being assigned exclusively to particular generations. At the same time, the moderate loyalty scores suggest that organizations should continue assessing employee expectations and strengthening retention practices.

In conclusion, the study contributes exploratory evidence to the understanding of employee loyalty in Madurai by demonstrating that statistically significant generational differences were not observed in the surveyed sample. Larger and more representative studies, particularly those incorporating industry-level comparisons and longitudinal data, are required to determine whether the same pattern holds across different employment settings.

12. LIMITATIONS OF THE STUDY

The study has the following limitations, which should be considered when interpreting its findings:

- i. **Limited sample size and sampling method:** The study included 84 respondents selected through purposive and convenience sampling. The results may not represent the wider population of employees in Madurai, and the sample may have limited the ability to detect smaller generational differences.
- ii. **Gender imbalance:** Male respondents constituted approximately 78% of Generation Y and 73% of Generation Z. The results may not fully reflect the experiences of employees across different gender groups.
- iii. **Geographical restriction:** The study was limited to Madurai, Tamil Nadu. Its findings may not apply directly to metropolitan cities, other tier-2 cities, or regions with different employment conditions.

- iv. **Absence of industry-level analysis:** Respondents were drawn from various organizations, but industry or sector was not tracked or controlled as a comparison variable. Consequently, sector-specific patterns may have been obscured in the overall analysis.
- v. **Cross-sectional research design:** Data were collected at a single point in time. The study cannot establish how employee loyalty changes as employees gain experience, advance in their careers, or move between organizations.
- vi. **Self-reported data:** The questionnaire relied on respondents' own assessments of their loyalty and workplace experiences. Such responses may be influenced by personal perceptions, recall limitations, or social desirability bias.

These limitations do not invalidate the reported results, but they indicate the need for caution when extending the findings beyond the sample examined.

13. SCOPE FOR FURTHER RESEARCH

Future research can extend the present study in several ways.

- i. **Larger and more representative samples:** Researchers may use a larger probability- based or stratified random sample to improve representativeness and statistical power. This would help determine whether the non-significant differences reported in the present study remain evident in a broader employee population.
- ii. **Industry-wise comparisons:** Future studies should explicitly record and compare industry or sector. Comparing IT/ITeS, manufacturing, banking, education, retail, and other employment settings may reveal whether generational differences depend on the nature of the work and the availability of alternative employment opportunities.
- iii. **Longitudinal investigations:** Tracking Generation Z employees over several years could help explain how their loyalty develops with increasing work experience, organizational tenure, promotion opportunities, and changes in personal circumstances.
- iv. **Inclusion of additional generations:** Future research could include Generation X and Baby Boomer cohorts to develop a broader understanding of employee loyalty across multiple generations.
- v. **Improved gender representation:** A more balanced sample across gender groups would help determine whether the findings remain consistent across different employee populations.
- vi. **Examination of additional workplace variables:** Future studies may investigate organizational culture, leadership style, employee engagement, perceived organizational support, job satisfaction, and turnover intention alongside employee loyalty. Such variables could provide a more comprehensive explanation of the conditions associated with employees' decisions to remain with an organization.

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