

IMPORTANCE AND SATISFACTION OF EMPLOYEES WITH FACTORS RELATED TO JOB SATISFACTION: DIFFERENCES BETWEEN GENERATION X AND Y

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Abstract: *Generation Y and Generation X already comprise the majority of the global workforce. Generation Y employees are different from those of prior generations. They have different expectations and bring different personalities and attitudes to the workplace, but share many of the characteristics of Generation X. In our study, we tried to identify whether there are differences between the importance and satisfaction with factors related to job satisfaction between Generation X and Generation Y. The target population in this study was limited to Generation X (1965-1980) and Generation Y (1981-1996) living and working in Slovenia. The questionnaire contained questions referring to (i) general data, (ii) work and working conditions, (iii) leadership and senior management, (iv) compensation and benefits, (v) career development, and (vi) technology. In order to examine the research, questions mean values and standard deviations of the responses to individual items were calculated and Paired-Samples T-Tests were conducted to examine the averages. The study results revealed that most of the job-related factors are important to members of Generation Y, and workplace satisfaction is low. The most important factor is leadership & senior management, the least important is technology and they are most satisfied with work and working conditions and least satisfied with compensation and benefits. The same goes for Generation X, which means that there is still a lot of room for improvements in all five job satisfaction factor groups of our study.*

Keywords: *Generation X, Generation Y, workforce, job satisfaction, generation differences*

1. INTRODUCTION

In the year 2015, members of the Generation Y left Generation X behind to become the largest population in the American workforce. The proportion of Generation Y members in the workforce will only continue to increase throughout the era of Baby Boomer Generation retirements [1], [2]. This large demographic shift creates the need for organizations to re-evaluate their internal systems and leadership styles [3].

Generation Y workers are different from workers from prior generations, hold different expectations and bring different personalities and attitudes to the workforce but share many of the characteristics of Generation X. They both value team work and collective action, prefer flexible schedules and are entrepreneurial [4]. One of the most frequently reported characteristics of Generation Y is their comfort with technology. They have been characterized as demanding and switch jobs more often than previous generations (on average every 1 to 2 years) [5], [6].

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Managing members of different generations is becoming an increasingly difficult challenge. Organizations with a one-size-fits-all approach will not be successful in the future and represent only the beginning of the end. Therefore, these generational differences may call for adaptations to our current theories [5], [7]. In order for organizations to be successful, they must continuously ensure the satisfaction of their employees. According to Daud, job satisfaction comprises the degree of an individual's feelings towards satisfaction with current job activities, the achievements and responsibilities as well as the degree of an individual's satisfaction with all the aspects that are directly or indirectly related to the current job and job content. Previous research has shown that job satisfaction is negatively related to employees' intention to leave the organization [5].

Generational differences in the workplace have been a popular topic over the past years [8], [9]. In our study, we have limited ourselves to Generation X and Y. We have assumed that there are differences at the workplace between generations. We included five factor groups: work & working conditions, compensation & benefits, career development, leadership & senior management and technology, influence job satisfaction in our research, in which we determine which factors are important for a particular generation and what is the current satisfaction with these factors. We wanted to know if there are differences between importance and satisfaction with factors related to job satisfaction between Generation X and Y.

2. METHOD

Sample

The target population for this study was limited to the Generation X (1965-1980) and Generation Y (1981-1996) living and working in Slovenia. The participants were accessed randomly and assured anonymity. The survey was conducted in the year 2018.

The survey included 102 participants, 23 of the Generation X of which 9 (39.1 %) were male and 14 (60.9 %) were female, and 79 participants of the Generation Y of which 30 (38 %) were male and 49 (62 %) were female.

Instrument

The questionnaire contained 88 closed-ended questions referring to (i) general data (gender, age, employment status, years of service, level of education), (ii) work and working conditions, (iii) leadership and senior management, (iv) compensation and benefits, (v) career development, and (vi) technology. In the first part of the questionnaire, participants evaluated the strength of the importance of individual factors from (ii) to (vi). In the second part, participants evaluated the actual satisfaction with these factors at the current workplace. For the items from (ii) to (vi), we used a 5-point Likert scale from absolutely unimportant (1) to very important (5) for the first part and from highly dissatisfied (1) to highly satisfied (5) for the second part. The instrument for data collecting was adjusted according to an employee job satisfaction and engagement survey; a research report by SHRM [9].

3. RESULTS

The comparison between Generation Y and X's average satisfaction and average importance values of different factors related to work and working conditions is shown in Figure 1. Members of Generation X are more satisfied with job security than it is important to them. Financial stability, overall corporate culture, and relationships with co-workers are less important to Gen-

eration Y. Relationships with co-workers, interesting work, and teamwork between departments are more important to both generations in comparison with their satisfaction which is much lower than their expectations. Generation Y and X are more satisfied with employment until retirement within the same company and the possibility of working abroad within the same company. The importance of all other factors is greater than satisfaction, which suggests improvements in this area.

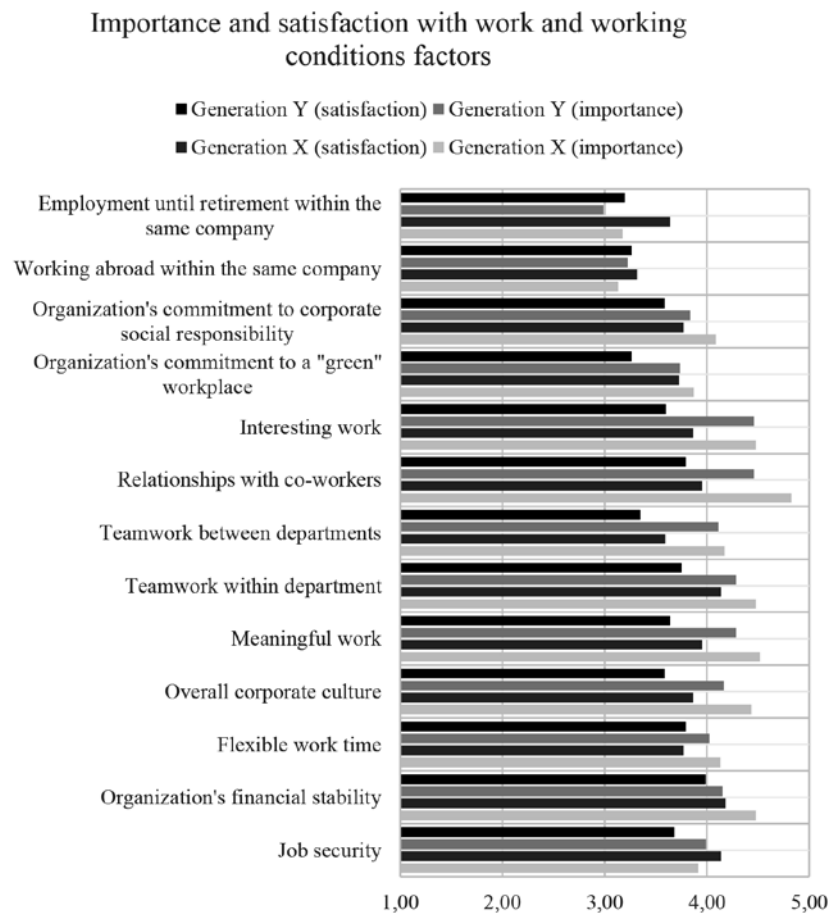


Figure 1: Mean values of importance and satisfaction with work and working conditions factors

Statistically important differences between Generation X and Y regarding importance only for the factors' relationships with co-workers ($t=3.175$; $p=0.02$) and organization's financial stability ($t=2.043$; $p=0.045$) were found. There are no statistically important differences between Generation X and Y regarding satisfaction with factors of work and working conditions.

The comparison between importance and satisfaction with relationship with management aspects is shown in Figure 2. The most important factors for both generations are respectful treatment of all employees at all levels, fair treatment of all employees at all levels and trust between employees and senior management, but they are not quite satisfied with them, especially Generation Y. Autonomy and independence at work are more important to members of Generation X than to Y. Meanwhile management's communication of organization's goals and strategies and management's recognition of employee job performance are important to both generations, where Generation Y is more dissatisfied with these factors.

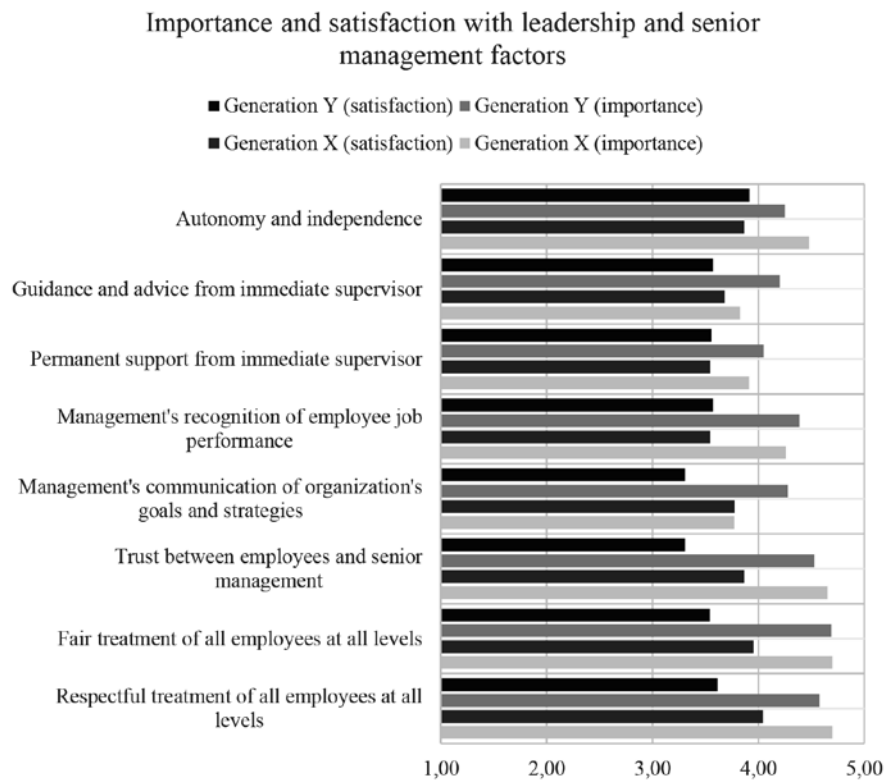


Figure 2: Mean values of importance and satisfaction with leadership and senior management factors

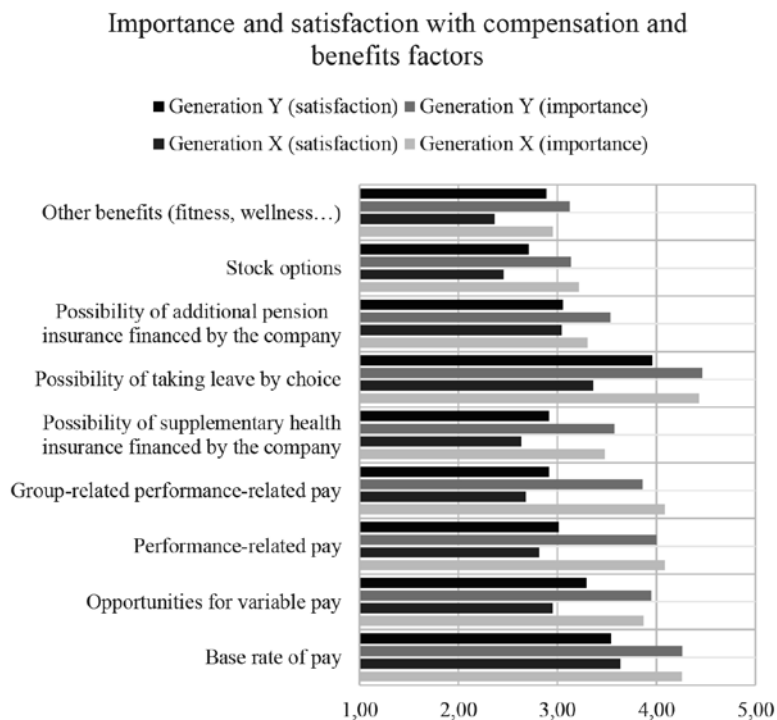


Figure 3: Mean values of importance and satisfaction with compensation and benefits factors

There are no statistically important differences between Generation X and Y regarding importance and satisfaction with factors of leadership and senior management.

Figure 3 represents importance and satisfaction with compensation and benefits factors. We can see that the possibility of taking leave by choice is the most important factor for both generations, where Generation Y is much more satisfied with it. Both generations rated the following factors as important: base rate of pay, opportunities for variable pay, performance-related pay and group-related performance-related pay; they are less satisfied with these factors at their current workplace. Another interesting fact is that the possibility of additional pension insurance financed by the company is more important to Generation Y than to X.

There are no statistically important differences between Generation X and Y regarding importance with compensation and benefits factors. Statistically important difference between Generation X and Y regarding satisfaction only for the factor possibility of taking leave by choice ($t=-2.198$; $p=0.030$) was found.

Figure 4 shows importance and satisfaction with career development factors. Opportunities to use skills and abilities at work is more important to Generation X than to Y. Career advancement opportunities, career development opportunities and opportunities to acquire and share knowledge are more important to Generation Y.

Statistically important difference between Generation X and Y regarding importance only for the factor career development opportunities ($t=-2.117$; $p=0.037$) was found. There are no statistically important differences between Generation X and Y regarding satisfaction with career development factors.



Figure 4: Mean values of importance and satisfaction with career development factors

The comparison between importance and satisfaction with technology factors is shown in Figure 5. Generation X is more satisfied with every technology factor compared to Generation Y. The most important factor to both generations is the possibility to use state-of-the-art software, with which Generation Y is less satisfied. The possibility to use social networks for communication purposes at workplace is beyond the expectations; both generations are more satisfied with this factor in comparison with importance. There are no statistically important differences between Generation X and Y regarding importance and satisfaction with technology factors.

The overall mean values of importance and satisfaction of the factor groups are shown in Figure 6. The most important group to surveyed members of Generation Y and X is leadership and senior management, tightly followed by career development. Both generations are quite satisfied with career development and leadership and senior management, compared to their importance. Generation X and Y both want more from their leaders. They want to grow and develop their careers as well. Another gap between importance and satisfaction is at the compensation and benefits group. Both generations are generally less satisfied with this aspect. Minor differences can be noticed at work and working conditions, where respondents of both generations are quite satisfied compared to importance. The technology group has the smallest difference, where members of Generation X are generally equally satisfied with this group as it is important to them. Comparatively, Generation Y is less satisfied with this group at the workplace.

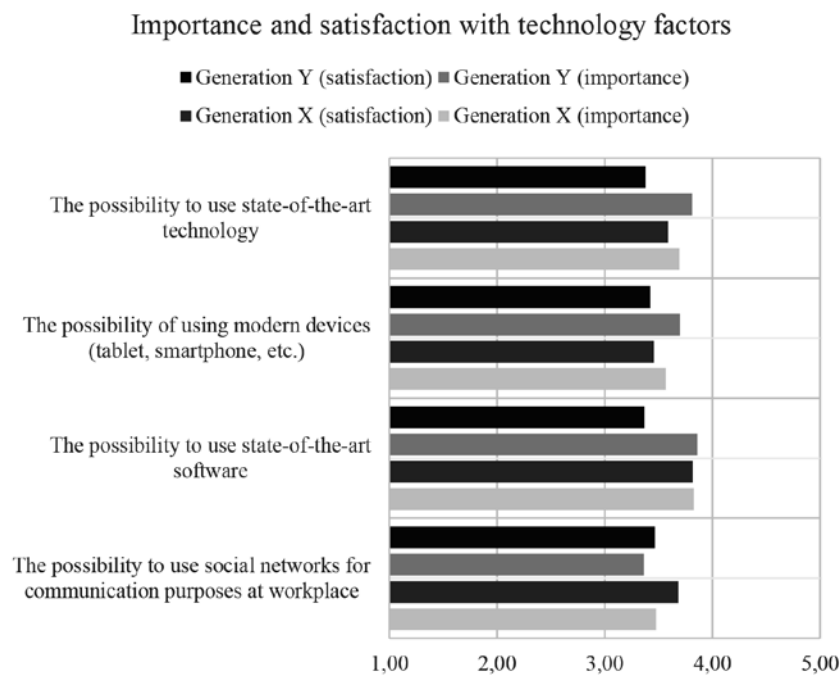


Figure 5: Mean values of importance and satisfaction with technology factors

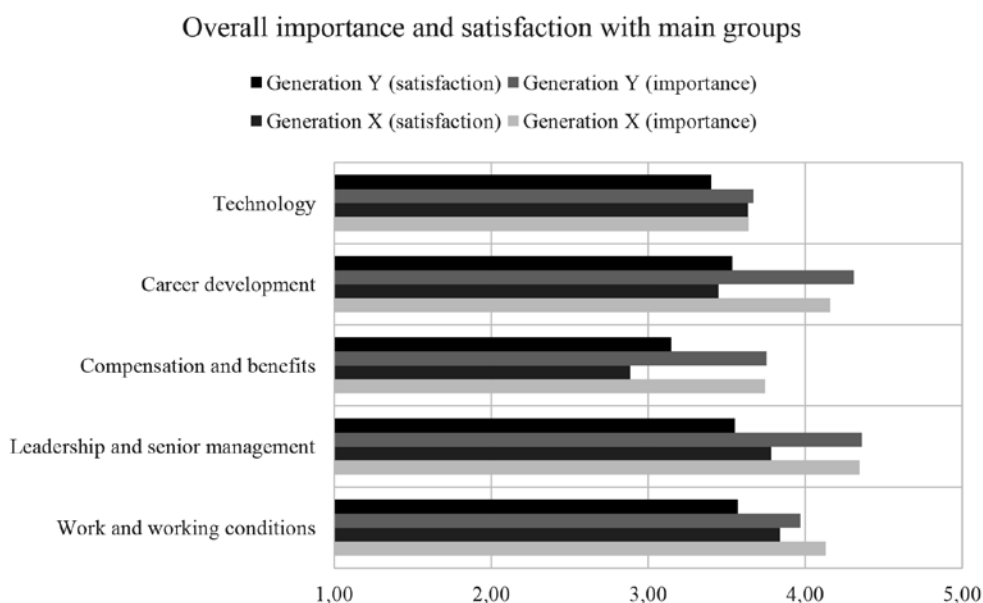


Figure 6: Mean values of importance and satisfaction with main groups

Next, we tested if there are statistically important differences between Generation X and Generation Y within each particular group of interest. Independent Samples Test was conducted and there were no statistically important differences found within each group regarding satisfaction or importance.

We also tested if there are statistically important differences between importance and satisfaction between the main groups for both generations together. To examine the averages, we conducted Paired-Samples T-test (Table 1). First 4 pairs have the Sig. (2-tailed) value equal to 0.000. At 1 % risk we can claim that there are statistically important differences between importance and satisfaction within groups: work and working conditions, leadership and senior management, compensation and benefits and career development. The technology (Pair 5) has the Sig. (2-tailed) value equal to 0.179, which means that zero assumptions about the equivalence of averages cannot be rejected at 5 % risk. We can say that there is no statistically important difference between the importance and satisfaction of technology group.

Importance and satisfaction with	Paired Differences			t	df	Sig. (2-tailed)
	Mean	SD	Std. Error Mean			
work and working conditions (Pair 1)	.356	.784	.081	4.377	92	.000
leadership and senior management (Pair 2)	.707	1.194	.124	5.710	92	.000
compensation and benefit (Pair 3)	.683	1.149	.119	5.731	92	.000
career development (Pair 4)	.744	1.180	.122	6.076	92	.000
technology (Pair 5)	.190	1.347	.140	1.354	91	.179

Table1: Paired Samples T-test

4. DISCUSSION AND CONCLUSIONS

When researching the importance and satisfaction of individual factors related to work and working conditions, we found that relationships with co-workers, teamwork, and interesting and meaningful work are the most important factors for Generation Y, which has also been reported by other researchers [9], [10]. It is interesting that Generation Y and Generation X are satisfied with the possibility of working within the same company until retirement. Both generations are also quite satisfied with job security even though this factor is not as much important to members of Generation X. Job security is important to Generation Y, which might be the result of the recent economic crisis, where many parents of Generation Y lost their jobs. Another factor, which is also quite important to members of both generations, is flexible working time and it seems that both generations are quite satisfied with this at their current workplace.

Respectful and fair treatment of all employees at all levels and trust between employees and senior management are most important factors in terms of leadership aspects to Generation Y, but they are dissatisfied with them at their current workplace. These factors are associated with modern leadership styles such as coaching, mentoring, ethical leadership and authentic leadership. All those leadership types are related to other factors that are important to Generation Y, such as counselling, continuous support, job performance recognition and clear communication of organization's goals and strategies. Other researches [7], [8], also found that leadership style has a considerable impact on job satisfaction. On the other hand, these factors are less important to Generation X who want more autonomy and independence.

The next job satisfaction group is compensation and benefits. It turned out that taking a leave by choice is the most important to members of Generation Y, which related to their lifestyle completely. They spend their free time with family and friends and go on trips. In addition, the base rate of salary, variable and performance-related pay is also important to them. Financial rewards are an important factor that affects the loyalty of Generation Y, although this does not coincide with the idea that Generation Y does not like employers who are profit-oriented.

Another overall important aspect to members of Generation Y is career development, as young people are eager for new knowledge and rapid advancement. We have found that all the factors in this group are important to both generations and that they are considered one of the most important among all the other aspects.

One of the newer aspects of job satisfaction is technology. Under this aspect we include the technology used by employees at their workplace, namely hardware and software, information systems and web technology. Generation Y is less satisfied with all factors compared to Generation X, but both of them did not consider them as very important. The possibility of using state-of-the-art software and technology are the two most important factors to Generation Y. This has also been reported by other authors [11], [12].

To sum up, most of the researched factors are important to members of Generation Y, whereas they are less satisfied with them at their current workplace. The most important aspect is leadership and senior management, the least important to members of Generation Y is technology and they are the most satisfied with work and working conditions, and the least with compensation and benefits. The same goes for Generation X, which means that there is still a lot of room for improvement in all five job satisfaction groups. Generation Y is a smart and demanding generation that will explore its options and will not allow organizations to exploit it. If they will be dissatisfied at the current workplace, they will find another job in a short time and leave the organization.

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