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## **Engaging the diverse workforce – An Empirical study of Generation X and Y.**

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**Abstract:** *Recently organizations have become aware of employee engagement and retention issues in their workplaces. These organizations have worked on engagement policies that typically address engagement for the organization but without any differentiation for the generations of employees. As the present workforce have millennial generation (also commonly known as Gen-Y and includes births from 1982 – 2000) growing in the workforce and Gen X too predominantly occupying workplaces, managers and human resources professionals will need to develop new engagement practices that take into account the generational differences between Gen X and Gen Y. The present study tries to study the perception of Gen X and Gen Y towards specific work practices that contributes to Employee Engagement. The study was conducted among 120 sales executives of a reputed FMCG company. The findings reveals difference in perception of some factors as engagement contributors.*

**Key words:** *GenX, Gen Y, Employee Engagement.*

### **1. Introduction:**

Generational diversity in the workplace refers to the extent to which the workforce population of an organization represents, or is influenced by, people of different age groups available in the general workforce. Each generation shares similar experiences growing up and views the world through their own generational experiences, influences and social values. Accordingly, each group has a different approach around work-life balance, employer loyalty, authority, and other important issues related to the organization, all of which have a significant impact in the workplace.

To be successful in maximizing the variety of needs, experiences, values, and approaches based on generation, and develop effective strategies as organizations continue to grow, the first step is to understand the differences among the generations.

Studies on generational diversity have of late gained significance, as what motivates the employees at workplace matters to the employers. Lot of studies has been done in the areas of job satisfaction, work commitment, employee engagement. However it necessitates to study employee engagement among Gen X and Gen Y as engagement is the new key to productivity is more than just commitment, and engaging these both generation workforces require different approaches. A big challenge over the next few years will be to attract and retain a skilled work force as the labor market continues to tighten, technology continues to evolve, and many students explore foreign destinations for job opportunities. This situation is aggravated as companies find themselves managing four generations of workers: Silents (Born between 1925 and 1946), Baby Boomers (Born between 1946 and 1964) Generation Xers (Born between 1965 and 1980), Generation Ys or Millennials (born after 1980) Each group has its own distinct

characteristics, values, and attitudes toward work, based on its generation's life experiences. To successfully integrate these diverse generations into the workplace, companies will need to embrace radical changes in recruitment, benefits, and creating a corporate culture that actively demonstrates respect, bring about changes in the way they engage its multigenerational work force.

Researchers have divided today's workforce into four generations:

<b>Generation</b>	<b>Born between</b>	<b>Age</b>
<b>Matures</b>	1920-40	62-82
<b>Boomers</b>	1940-60	42-62
<b>Generation X</b>	1960-80	22-42
<b>Generation Y</b>	1980-2000	Less than 22

**Source: Compiled**

Generation gaps in perspectives, attitudes, and behaviors are nothing new, but they can be difficult to reconcile in the workplace. Lack of attention to generational differences will make any company less attractive to young recruits, resulting in higher recruiting costs and greater difficulty in finding the right employees. The critical management skills will involve understanding generational differences in order to strengthen work relationships and extent to which they engage themselves to work.

The present study focuses on perception of Gen X and Y towards work practices and what importantly engages them at work.

### **Generations at work :**

A generational group, often referred to as a cohort, includes those people who share similar and/or social life experiences (Kupperschmidt, 2000; Smola & Sutton, 2002; Weston, 2006). Such experiences make these people of the same generation belong to one group, which lead them to come to share common values, and a large number of them may then come to experience the events around them in similar ways (Patterson, 2007; Smola & Sutton, 2002).

### **Generation X :**

As previously mentioned, Gen X is classified as those born between 1965 and 1977. Gen X happened to spend alone or without parental supervision, they found support among their peers who were undergoing similar experiences. As a result, they built strong networks of friends which were often preferred over their family relations (Vejar, 2008). Therefore, a label that fittingly applies to Gen X is "independent" (Cole, Lucas, & Smith, 2002). Since many had to face and solve their own problems as children, the Gen X cohort gained the confidence to make decisions for themselves (Cole et al., 2002). Having had, what some might call "self-centered" and "workaholic" parents, Gen X members learned to be pragmatic, self-reliant, and adaptive to change (Patterson, 2007).

### **Generation Y:**

The years chosen to classify the Gen Y cohort are those born between 1978 and 1990. Members

of this cohort have initiated a spur of interest in many with their new set of rules and unique characteristics (Raines, 2002). Although 60% of the Gen Y cohort was born into a home where both parents worked, compared to the Gen X cohort, Gen Y members not only had the support from their parents, but also had established infrastructures such as childcare, preschool, and after school programs (Weston, 2006). As a result, since their childhood years, Gen Y has lived highly structured and scheduled lives with many extracurricular activities such as soccer camps to piano lessons (Raines, 2002; Weston, 2006). The Gen Y members appear to be quite family-oriented, openminded in that they tend to overlook differences among people and treat everyone the same, deeply committed to authenticity and truth-telling, extremely stressed, and believe to live in a "no-boundaries" world where they make short-term decisions and expect the outcomes to be rather grandiose (Leo, 2003; Raines, 2002). Yet, it is no surprise that this generation has such large expectations, considering that their technological sophistication allows Gen Y members to consider the world a smaller, diverse, highly-networked environment, with pretty much everything at the tip of their fingers (Patterson, 2007).

### **3. Importance of the study:**

The present study focuses on perception of Gen X and Y on what importantly engages them at work. The significance of such study has been research with various dimension and sectors. However there is less research in studying the perception of Sales executives belonging to Gen X and Gen Y. This study has been undertaken for Sales Executives of FMCG sector.

The cohort characteristics allow us to make predictions about abilities of prototypical individuals (Lamm & Meeks, 2009), establishing generational differences as an important social categorization variable (Cogin, 2012). Employees from different generation groups raised in different time periods exposed to changing situations and scenarios are said to have different work ethics; expectations and values about organizations; and goals and aspirations for their work life (Meredith et al., 2002; Smola & Sutton, 2002; Zemke et al., 2000). Understanding these similarities and differences across generational groups, and adopting appropriate management practices for each member of today's multigenerational workforce is of strategic importance (Benson & Brown, 2011; Cogin, 2012; Gursoy et al., 2013). For instance, if Gen X values autonomy, work may have to be redesigned to increase freedom and independence on the job; or if Gen Y is committed to socially responsible causes, organizations may need to pay more attention to their corporate social responsibility activities. Focussing on their generational strengths can yield tremendous benefits to organizations through increasing morale; controlling costs; reducing turnover; and improving sales and profits (Lancaster & Stillman, 2002).

### **4. Review Of Literature:**

There are many studies done on Employee engagement due to workplace characteristics. Work engagement can be defined as a positive and continuous state of mind (Schaufeli & Bakker, 2004) that includes a personal involvement in one's work as well as satisfaction and enjoyment from the work itself (van Beek, Hu, Schaufeli, Taris, & Schreurs, 2012; van Beek, Taris, & Schaufeli, 2011). Many studies have been carried out to study diverse generations preferences of workplace requirements. *Wey Smola, K. and Sutton, C. D. (2002)* revisits the issue of generational differences and the causes of those differences. Survey done for 350 individuals across the country and results were compared to a similar study conducted in 1974. Results suggest that generational work

values do differ. To a lesser degree, the results suggest that work values also change as workers grow older. *Lyons, S. and Kuron, L. (2014)* critically evaluated the research evidence concerning generational differences in a variety of work-related variables, including personality, work values, work attitudes, leadership, teamwork, work-life balance and career patterns, assess its strengths and limitations, and provide directions for future research and theory suggests research particularly in the past 5 years, remains largely descriptive, rather than exploring the theoretical underpinnings of the generation construct. They suggest for a more clear and theoretical research agenda that views generation as a social force in organizations rather than as merely a demographic variable. *Camille Kapoor, Nicole Solomon(2011)* suggest that employers must identify the separate characteristics of each generation present in their workplace. Further, employers must foster a work environment that aids productivity for every generation; they must give their employees the information and skills needed to understand the generational characteristics of their co-workers to create understanding among employees. Other steps that managers can take include mentor programs, generational diversity training, and enhanced communication methods designed to cater to each generation's preferences. *Nancy M. Schullery(2013)* summarizes Millennials, were recently shown to have different values than the other two prevalent generations. When aggregated, these generational differences have noticeable practical impact. *Jeongdoo Park, Dogan Gursoy(2012)* examined work engagement of three generational cohorts using survey data collected from 677 customer contact employees in the hotel industry. Results indicate that levels of work engagement significantly differ depending on the generational membership of the employees. The effects of work engagement on turnover intention were significantly moderated by generational differences. *Marcie Pitt-Catsouphes Christina Matz-Costa(2008)* studied the perceptions of employees of different ages regarding the flexibility they need at work (flexibility fit) and their engagement with work using a hierarchical linear model (HLM) to explain variation in employee engagement as a function of flexibility fit and age. The positive moderating effect of flexibility fit provides employers with guidance about how to maintain the engagement of workers of all ages, but especially older workers who want to extend their participation in the labor force.

### **5. Statement of problem:**

The Generation X (1960-1980) and Generation Y (1980-2000) are two of these generations working together at workplaces. There is a generation differences between these two in their work attitudes. These generations here have different perceptions towards workplace practices and also towards the factors which are contributing to the employee engagement. The appropriate measures to engage both the generations are required especially in the sales field where motivation plays a key role in work performance. So the present study aims to study the perceptual differences of generation X and Generation Y regarding factors that contribute in engaging them at work of these two generations .

### **6. Research Questions:**

This section outlines the research approach undertaken to complete this study. This study addresses the following research questions:

1. What is the perception of Gen X and Gen Y towards employee engagement?

2. What recommendations can be made to assist in increasing the current level of employee engagement?

### **6.1 Objectives of the Study:**

- To understand the perception of Generation X and Generation Y towards Employee Engagement
- To analyze the differences in perception of Gen X and Gen Y towards Employee Engagement
- To suggest appropriate intervention practices that meets the expectations of Generation X and Generation Y at workplace.

### **6.2 Hypothesis:**

H0: There is no significant difference in Generation X and Generation Y opinion towards select contributors of Employee Engagement

H1: There is significant difference in Generation X and Generation Y opinion towards select contributors of Employee Engagement.

### **6.3 Methodology:**

Data is collected from 120 employees working for FMCG sector belonging to Generation X and Generation Y of the district Hyderabad in the state of Telangana. The type of sampling to be used here is Random stratified sampling. Primary data was collected using a structured questionnaire .The questionnaire was designed to measure the perception of Gen X and Gen Y towards contributors of Employee Engagement which was measured using a Likert scale. Means ,Standard deviations and Chi-square test was used to analyze the data using SPSS. The questions were measured on normal scale in the selection of two options either –Yes or –No from the responses.The variables that contribute to Employee Engagement understudy were Equal opportunity and Fair pay , Feeling Valued, Fun and Family like work environment, High Pay, Work Life Balance.

### **6.4 Limitations:**

Role of mediating variables such as gender, work experience in the company etc are not taken into account. Larger number of respondents would have made results more significant. Top 5 significant contributors for work engagement only were considered, other variables also can be studied.

### **6.5 Data Analysis:**

Descriptive analysis Data has been collected based on a structured questionnaire, addressed to 120 employees of marketing and sales department of FMCG sectors for various levels. The no of responses are 120 on the basis of which data was analyzed and interviewed.

<b>AGE GROUP</b>	<b>NO. OF RESPONDENTS</b>	<b>PERCENTAGE</b>
25-35 years	64	53.33
35 years and above	56	46.67
<b>Gender</b>	<b>No. of Respondents</b>	<b>Percentage</b>
Male	102	85.00
Female	18	15
<b>Experience</b>	<b>No. of Respondents</b>	<b>Percentage</b>
Up to 8 years	64	53.33
Above 8 years	56	46.67
<b>Occupation</b>	<b>No. of Respondents</b>	<b>Percentage</b>
Full Time	120	100.00
Part Time	0	0.00
<b>Job Position</b>	<b>No. of Respondents</b>	<b>Percentage</b>
Intermediate	88	73.33
Manager	32	26.67
<b>Working field</b>	<b>No. of Respondents</b>	<b>Percentage</b>
Marketing	68	56.67
Sales	52	43.33

**Table No. 1: Summary of Survey Respondents (Source: Primary Data)**

The summary of survey is presented in Table 1. From the 120 samples received 53.3% of the participants are age 25 – 35 years (Generation Y) and the remaining 46% are of age 35 years and above (Generation X). In terms of Gender 85% are male and 15% are female. Going with Experience of participants 53% have experience up to 8 years and 46% have above 8 years. All of our participants are Full Time either in Marketing Sector or Sales Sector holding either Manager or Intermediate job positions.

Further to identify significant difference in their opinions about contributors to employee engagement, Chi square analysis was used which tells us significant difference in opinions of two groups about the concerned parameter. In this case whether Gen X and Gen Y differ in their opinions concerning contributors of Employee Engagement.

**Crosstab**

			Equal opportunity & fair pay		Total
			Equal Opportunity & Fair pay Do not contribute to EE	Equal Opportunity & Fair pay Contributes to EE	
Generation	Gen X	Count	27	21	48
		Expected Count	13.2	34.8	48.0
	Gen Y	Count	6	66	72
		Expected Count	19.8	52.2	72.0
Total		Count	33	87	120
		Expected Count	33.0	87.0	120.0

**Table No :2.1**

**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	33.166 <sup>a</sup>	1	.000		
Continuity Correction <sup>b</sup>	30.806	1	.000		
Likelihood Ratio	34.066	1	.000		
Fisher's Exact Test				.000	.000
N of Valid Cases <sup>b</sup>	120				

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 13.20.

b. Computed only for a 2x2 table

**Table no 2.2: SPSS output of Chisquare test**

Table no 2.2 reveals that  $\chi^2$  statistic is 33.166 and the  $p < .001$  so we reject the  $H_0$  and conclude that the perception of Generation X and Generation Y differs and both the generation have a different opinion about Equal opportunity and Fair pay as an engagement contributor.

**Crosstab**

			Feeling Valued		Total
			Feeling Valued do not contribute to EE	Feeling Valued contributes to EE	
Generation X	Gen Count	13	35	48	
	Expected Count	14.8	33.2	48.0	
Generation Y	Gen Count	24	48	72	
	Expected Count	22.2	49.8	72.0	
Total	Gen Count	37	83	120	
	Expected Count	37.0	83.0	120.0	

**Table no 2.3**

**Chi-Square Tests**

	Value	Df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	43.513 <sup>a</sup>	1	.000		
Continuity Correction <sup>b</sup>	41.048	1	.000		
Likelihood Ratio	45.745	1	.000		
Fisher's Exact Test				.000	.000
N of Valid Cases <sup>b</sup>	120				

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 19.60.

b. Computed only for a 2x2 table

**Table no 2.4: SPSS output of Chisquare test**

Table no 2.4 reveals that  $\chi^2$  statistic is 43.513 and the  $p < .001$  so we reject the  $H_0$  and conclude that the perception of Generation X and Generation Y differs and both the generation have a different opinion about Feeling Valued as an engagement contributor.

**Crosstab**

		High Pay		Total
		High Pay not contributes to EE	High Pay contributes to EE	
Generation Gen X Count	Count	18	30	48
	Expected Count	25.2	22.8	48.0
Gen Y Count	Count	45	27	72
	Expected Count	37.8	34.2	72.0
Total	Count	63	57	120
	Expected Count	63.0	57.0	120.0

**Table no 2.5**

**Chi-Square Tests**

	Value	Df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	7.218 <sup>a</sup>	1	.007		
Continuity Correction <sup>b</sup>	6.250	1	.012		
Likelihood Ratio	7.280	1	.007		
Fisher's Exact Test				.009	.006
N of Valid Cases <sup>b</sup>	120				

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 22.80.

b. Computed only for a 2x2 table

**Table no 2.6: SPSS output of Chisquare test**

Table no 2.6 reveals that  $\chi^2$  statistic is 7.218 and the  $p > .001$  so we accept  $H_0$  and conclude that the perception of Generation X and Generation Y does not differ and both the generations have a similar opinion about High Pay as an engagement contributor.

**Crosstab**

		Fun & Family Work Environment		Total
		Fun and family work env not contributes to EE	Fun and family work env contributes to EE	
Generation X	Gen Count	32	16	48
	Expected Count	20.0	28.0	48.0
Generation Y	Gen Count	18	54	72
	Expected Count	30.0	42.0	72.0
Total	Count	50	70	120
	Expected Count	50.0	70.0	120.0

**Table no 2.7**

**Chi-Square Tests**

	Value	Df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	20.571 <sup>a</sup>	1	.000		
Continuity Correction <sup>b</sup>	18.893	1	.000		
Likelihood Ratio	20.925	1	.000		
Fisher's Exact Test				.000	.000
N of Valid Cases <sup>b</sup>	120				

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 20.00.

b. Computed only for a 2x2 table

**Table no 2.8: SPSS output of Chisquare test**

Table no 2.8 reveals that  $\chi^2$  statistic is 20.571 and the  $p < .001$  so we reject the  $H_0$  and conclude that the perception of Generation X and Generation Y differs and both the generation have a different opinion about Fun and Family at work environment as an engagement contributor.

**Crosstab**

		Work Life balance		Total
		WLB does not contributes to EE	WLB contributes to EE	
Generation Gen X Count	Count	18	30	48
	Expected Count	17.2	30.8	48.0
Gen Y Count	Count	25	47	72
	Expected Count	25.8	46.2	72.0
Total	Count	43	77	120
	Expected Count	43.0	77.0	120.0

**Table no 2.9**

**Chi-Square Tests**

	Value	Df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	.097 <sup>a</sup>	1	.756		
Continuity Correction <sup>b</sup>	.014	1	.907		
Likelihood Ratio	.096	1	.756		
Fisher's Exact Test				.846	.452
N of Valid Cases <sup>b</sup>	120				

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 17.20.

b. Computed only for a 2x2 table

**Table no 2.10: SPSS output of Chisquare test**

Table no 2.10 reveals that  $\chi^2$  statistic 0.097 and the  $p > .001$  so we accept  $H_0$  and conclude that the perception of Generation X and Generation Y does not differ and both the generations have a similar opinion about Work Life Balance as an engagement contributor.

**Findings:**

The study reveals that the Generation X and Generation Y (Millennial) at work differ in their opinions for Equal opportunity and fair pay, Feeling valued at work place and Fun and family work environment, that means these both generations at work have different opinions about these variables as employee engagement contributors. Whereas they had similar opinions about High pay and work life balance as engagement contributors. These findings make it relevant to the employers to engage these work force of different generations accordingly.

**Conclusion:**

As both these diverse generations differ in the perception as engagement drivers for Equal opportunity and fair pay, Feeling valued at work place and Fun and family work environment, identifying the needs and their variations as desired by both these generation must be incorporated so that they motivate them accordingly. Focussing on diverse generation is not

enough their needs are different as well. So in order to motivate and engage both these work force the organization must concentrate on their diverse needs as well.

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