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**Generation Y: How their work values change over the course of a four-year undergraduate degree**

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Abstract

*Purpose*

The purpose of this study is to determine whether work values increase in importance or decrease in importance over a four year undergraduate degree.

*Methodology*

A self-completed online survey was used to collect data from 320 Generation Y, full-time university students. Both male and female students from all years of study and various degree programs completed the survey. They were recruited through online social media, in classes and in the University library.

*Results*

Results showed that only two of the ten work values were statistically significant. From first to fourth year, the importance of challenging work increase, and from first to second year, the importance of the organization being a leader in its field decreased in importance from first to second year of study.

*Conclusion*

Organizations will need to be aware of both the significant changes from first to fourth year when looking at various recruitment and selection processes.

## Introduction

Generation Y consists of individuals born after 1980 (Eisner, 2005). Generation Y is known to have unrealistic and supersized work expectations (Ng et al, 2010). Generation Ys are important because they are currently entering the workforce and are a group of individuals who are very distinct from other generational cohorts.

As Generation Y enters university, their work values change from first year through fourth year as they continue the exploration stage of their life (Super, 1978). According to Super, the exploration stage occurs at every age and is most prominent when an individual is 15-24 years of age (Super, 1978), the age at which many individuals attend university for their undergraduate studies, and involves an individual's examination of their career and occupational values, as well as their educational development (Super, 1978). Value systems determine what is good or desirable and develops over time through an individual's experiences in life and the workplace (George et al, 1997). Work values are based on people's basic value systems and navigate them through the different stages of their life (George et al, 1997). A person's basic value system guides the individual by assisting in the decision making process (Urbany et al, 2008). When an individual makes a choice there are at least two options to choose from, and values affect the decision making map that occurs consciously or unconsciously when an individual has to make a decision (Urbany et al, 2008).

This study will be concentrating on the work values of Generation Y individuals and how these work values change over the course of their university undergraduate degree. These issues are of importance because Generation Y is currently entering the workforce and has different values than the generations that they are replacing (Cennamo et al, 2008). Knowing Generation Ys work

values will help managers alter their current management style to better support the incoming generation. Compared to previous research, this study will expand on Super's exploration stage by specifying the exploration of Generation Y during their undergraduate degree.

### Literature Review

Generation Ys are unique in many ways and often very stereotyped (Meriac et al, 2010). Generation Y is the most technologically advanced generation (Deal et al, 2010). Individuals of Generation Y also have high work expectations and expect immediate feedback and sense of accomplishment (Martin, 2005). Every individual has their own value system, yet those who are part of the same birth cohort are more likely to have similar work values (Grogan, 2011). Those of the same birth cohort are born into a unique society that changes and shapes individuals' value systems (Grogan, 2011). This is important to note as not only are Generation Ys of the same birth cohort, they are also in the same stage of their life as explained by the lifecycle rainbow (Super et al, 1978).

Individuals' value systems develop and change over their lifetime and determine what they define as good and desirable (George et al, 1997). Work values are derived from an individual's value system and determine what they expect from their employer (George et al, 1997). Work values are of importance because they guide behaviour, determine what types of actions and events are desirable or undesirable, and are a guide for experience affecting decisions of future employment (George et al, 1997). As Generation Y is entering the workforce managers will need to be able to define Generation Y so that they can effectively prepare to manage individuals of this generation.

The individuals of Generation Y are all in the same developmental stage of their life, this can be shown using Super's life-cycle rainbow. There are several different stages of this rainbow; growth, exploration, establishment, maintenance and decline (Super et al, 1978). This study focuses on the exploration stage because Generation Y is currently in the most prominent exploration stage of their life. During this stage, Generation Y individuals will be examining career opportunities and developing their occupation values (Super et al, 1978). As the knowledge base of Generation Y individuals grow during their four year undergrad, they learn more about their values and how they relate to the career opportunities they seek, creating their work values (Super et al, 1978). When an individual is in the exploration stage, they are also experiencing the other stages of the life-cycle rainbow, growth, establishment and maintenance and decline (Super et al, 1978). Looking at Generation Y, who are in a four year undergraduate degree, visibly shows the other stages involved in the development of the individual. An individual who is entering into their first year of their university degree will experience the stages of exploration (exploring a new life style), growth (growing as an individual from a child to an adult), establishment (establishing a new place in the world typically away from home), and they will be experiencing less maintenance and the decline stage will be present also as they decline from being a child and moving towards becoming more of an adult (Super et al, 1978). This then translates that over a four year undergraduate degree changes will occur in an

individual as they move through the other stages (Super et al, 1978).

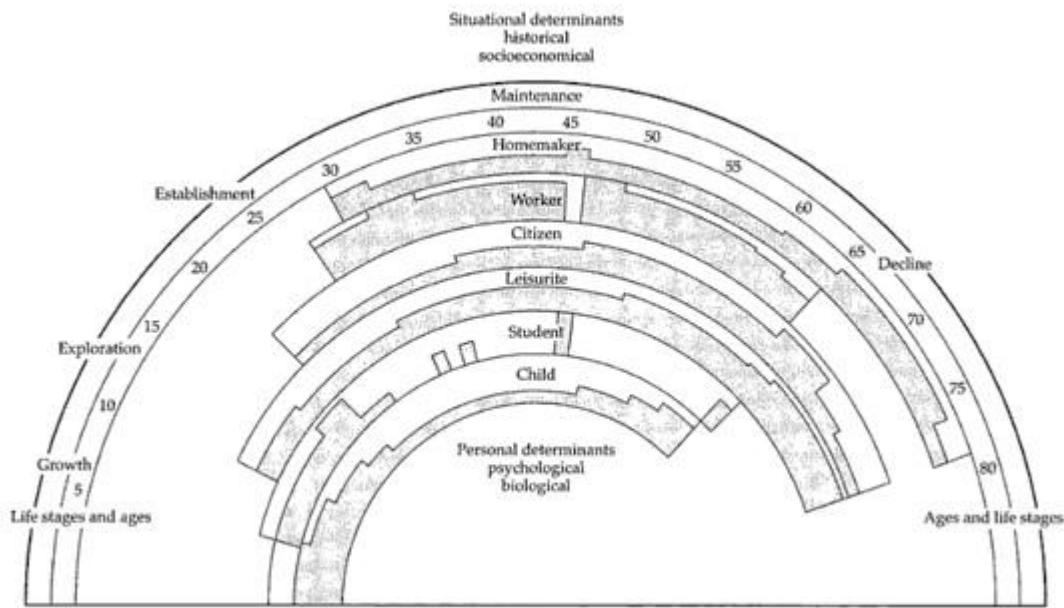


Figure 3.1. The life-career rainbow: Six life roles in schematic life-space

(Super et al, 1978).

As Super's life-career rainbow illustrates, many changes will occur to Generation Y during the exploration stage. Generation Y will experience all the stages while under the umbrella of the exploration stage, this means as the life cycle changes values will also change to the values of the individuals (Grogan, 2011).

As Generation Y enters the workforce, organizations will have to adapt their practices to attract the individuals they want as part of their organization. When looking at research comparing different generation it appeared that there were many different variables that were consistently researched. The constructs of this study are work-life balance, opportunities to have a personal impact, good initial salary, opportunities for advancement, training and development, health and benefits, challenging work, co-worker interactions, reputable organization, and

opportunities to travel. These constructs were chosen based on previous research that suggested that these work values were the most frequently sought by Generation Y (Ng et al, 2010).

Work-life balance has become a popular term over the past few years. It can be defined as an individual's ability to meet their work and family commitments, as well as other non-work responsibilities and activities (Parkes et al, 2008).

The definition of autonomy (opportunities to have an impact) has varied in recent years (Mogeson et al, 2006). It used to be defined as the amount of freedom and independence an individual has when carrying out work tasks (Hackman et al, 1975) but has since developed into a more specific definition. Autonomy occurs when an individual has freedom, independence, decision making, choosing how to perform work tasks and discretion to schedule work (Braugh, 1985; Wall et al, 1992; Wall et al, 1995).

Training refers to "the acquisition of knowledge, skills, and abilities to improve performance for one's current job" (Saks et al, 2010). Development refers to "the acquisition of knowledge, skills and abilities required to perform future job responsibilities" (Saks et al, 2010).

Challenging work has been defined by Generation Y as short-term projects with a clear goal in which an individual's impact on the result can be seen (Manpower, 2006). Previous research has found that Generation Y values meeting personal goals, performing meaningful work, having committed co-workers with shared values, and enjoying a full and balanced life tends to be more important than lots of money (Allen, 2004). It has also been found that Generation Ys are more likely to perform well when they are matched with challenging work and are interested in self-development and improvement (Eisner, 2005).

During a student's four years of exploring and planning, the overall importance they place on various work values will change (Super, 1978). This leads to the first hypothesis:

**H1a:** Work-life balance will increase in importance over a four-year undergraduate degree.

**H1b:** Opportunities to have a personal impact will increase in importance over a four-year undergraduate degree.

**H1c:** Training and development will increase in importance over a four-year undergraduate degree.

**H1d:** Challenging work will increase in importance over a four-year undergraduate degree.

**H1e:** Good people to work with will increase in importance over a four-year undergraduate degree.

An initial salary is a pecuniary attribute that an individual has in mind in a specific range when looking for an accepting a job (Rynes et al, 1983). Opportunities for advancement are considered to be expectation for promotions and pay raises (Ng et al, 2010). Based on previous research on Generation Y it has shown that Generation Y values intrinsic work values more than other generations (Allen, 2004).

Health Benefits are important to Generation Y as they see this as a necessity as many have had this for many years and feel that they are entitled to health benefits as they are the largest uninsured group today (Rawlins, 2008).

Organization being a leader in its field is also important to Generation Y as they look to work to live and they want to be part of something larger than themselves (Rawlins, 2008). With an organization being a leader in its field it shows passion to Generation Y when they strive to be

the best in their industry, this motivation and passion aligns well with Generation Y (Rawlins, 2008).

Generation Y looks for opportunities to travel because of the strong technological advances that allow work to occur anywhere in the world (Meier, 2010). Generation Y also expects to travel for work and opportunities to travel have become part of the accepted paradigm of working (Meier, 2010).

**H2a:** Good initial salary will decrease in importance over a four-year undergraduate degree.

**H2b:** Opportunities for advancement decrease in importance over a four-year undergraduate degree.

**H2c:** Health benefits decrease in importance over a four-year undergraduate degree.

**H2d:** The organization being a leader in its field decrease in importance over a four-year undergraduate degree.

**H2e:** Opportunities to travel decrease in importance over a four-year undergraduate degree.

## Methodology

### *Sample:*

The sample selected for this study consisted of Generation Y students enrolled in an undergraduate university degree. For the purpose of this study, Generation X respondents (age 30 and up) were eliminated. The subjects of interest were Generation Y students who were ages 29 and under, thus age being the controlled variable. This study measured a number of variables,



which included a number of different work values as dependent variables, with level of degree completion and gender being the independent variables.

The total number of respondents for this study was 320 full time university students (83.7% response rate). The total respondents were further segregated into four categories by the year in which the students were currently enrolled.

|        | Year 1   | Year 2   | Year 3   | Year 4   |
|--------|----------|----------|----------|----------|
| Male   | 41 (43%) | 26 (46%) | 23 (36%) | 32 (35%) |
| Female | 54 (57%) | 31 (54%) | 41 (64%) | 60 (65%) |
| Total  | 95       | 57       | 52       | 92       |

It is interesting to note that of the 320 respondents 163 students were Bachelor of Commerce students (51%), 60 were Bachelor of Science students (19%), 54 were Bachelor of Arts students (18%), seven were Bachelor of Arts and Science (2.18%), nine were Bachelor of Engineering students (2.81%), and two were Bachelor of Science Agriculture (0.062%). The number of non-respondents that were eliminated from the survey included any respondents who did not fully complete the survey which was 53 respondents (16.5 %), this was determined by the following factors including leaving one or more questions unanswered (9.3%), or did not meet the age requirements (0.31%).

*Survey:*

The study is based on self-report questionnaire which was accessed online. It asked respondents to rate their work values and level of work experience. Students were recruited through convenience sampling as well as quota sampling were also used. Quota sampling was used due to lack of males in third and fourth year. To further understand the demographics of the

respondents, the survey required students to specify the type of undergraduate degree they are currently enrolled in, choosing from the options of Bachelor of Commerce, Bachelor of Science, Bachelor of Arts, Bachelor of Applied Science, Bachelor of Engineering, and Bachelor of Science in Agriculture, and other. Respondents were asked their current year of study ranging from first year through to fourth year with the option of other. The respondents were asked to rate their level of work experience throughout the completion of their university degree, selecting from a number of options including; summer job related to undergraduate degree; summer job not related to undergraduate degree; part time job related to undergraduate degree; part time job not related to undergraduate degree; co-op job related to undergraduate degree; co-op job not related to undergraduate degree; other. Respondents were also asked to rate the level of their work values on a 5 point Likert scale, very unimportant to very important with the option of not applicable. The questions related to work life balance, decision making power, income, potential for promotion, training opportunities beyond job requirements, interesting daily work tasks, challenging daily work task, interaction with co-workers, organizational reputation, and opportunities to travel.

### Results/Findings

In order to complete the analysis, a Between-Subjects Effects Analysis of Variance (ANOVA) was used. During this analysis, work values were the dependent variables and year of study was the independent variable. It was found that the only statistically significant relationship occurred in the dependent variables, challenging work and the organization being a leader in its field.

The results of the ANOVA test indicated the level of significance for each hypothesis, a confidence interval of  $p < 0.5$  was used. Table 1 outlines the level of significance and the f-statistic for each hypothesis. The results demonstrate that there are two work values that were significantly related to year of study. Focusing on these hypotheses specifically, H1d (Challenging work will increase in importance over a four-year degree) and H2d (The organization is a leader in its field decreases in importance over a four-year undergraduate degree) were found to be statistically significant. To further understand where the significant effects occurred, post-hoc pairwise between-group analyses were done using t-tests, adjusted for multiple comparisons using the Bonferonni correction. Through this analysis, each significant relationship was examined between years. The results suggested that in H1d there was a statistically significant relationship between first and fourth year of study. Additionally, in hypothesis H2d, the analysis suggested there was a statistically significant relationship between first and second year of study.

Table 1: Statistical Significance of Hypotheses

| <b>Work Value</b>                              | <b>F-Statistic</b> | <b>Significance</b> |
|--|--------------------|---------------------|
| <b>Work-life balance</b>                       | .525               | .757                |
| <b>Opportunities to Have a Personal Impact</b> | .867               | .503                |
| <b>Training &amp; Development</b>              | 1.041              | .393                |
| <b>Challenging Work</b>                        | 3.608              | .003                |
| <b>Good People to Work With</b>                | .1423              | .142                |

|  |       |      |
|--|-------|------|
| <b>Good Initial Salary</b>                         | 1.150 | .334 |
| <b>Opportunities for Advancement Opportunities</b> | 2.089 | .067 |
| <b>Health Benefits</b>                             | .514  | .514 |
| <b>Organization is a Leader in its field</b>       | 1.688 | .137 |
| <b>Opportunities for Travel</b>                    | 1.188 | .315 |

### *Challenging Work*

The hypothesis described in H1d was significantly supported by the data. Table 2 outlines the analysis of year of study from hypothesis H1d. As seen, the relationship is highly significant with a level of .003 ( $p < 0.05$ ). Through further analysis, the relationship was found to be significant, specifically between the first and fourth year of study, the level of significance was 0.02 ( $p < 0.05$ ).

Table 2: Challenging Work Analysis

|                            | <b>Type III Sum of Squares</b> | <b>F</b> | <b>Significance</b> |
|----------------------------|--------------------------------|----------|---------------------|
| <b>Year of Study (YOS)</b> | 18.451                         | 3.608    | .003                |

### *Organization is a leader in its field*

Our data has shown statistically significant support for hypothesis H2d. Table 3 outlines the results of our analysis in regards to the work value "organization is a leader in its field". As

shown, the level of significance for the relationship is not statistically significant until the results are analyzed through a Pairwise Comparison, 0.137 ( $p < .05$ ). The results demonstrate that there is a statistically significant relationship between the first and second year of study, .05 ( $p < .05$ ). |

Table 3: Organization is a Leader in its Field Analysis

|                     | Type III Sum of Squares | F     | Significance |
|---------------------|-------------------------|-------|--------------|
| Year of Study (YOS) | 10.728                  | 1.688 | .137         |

### Discussion

These findings suggest that the work values of undergraduate students do not significantly increase or decrease throughout the years of study for their degree. These results are contrary to hypotheses H1a, H1b, H1c, and H1e, which stated that specific work values of undergraduate students would increase in importance to undergraduate students as their year of study increased. These results also indicate that the hypotheses which stated that specific work values of undergraduate students would decrease in importance, being H2a, H2b, H2c, and H2d cannot be proven. One explanation for these results can be partially derived from the fact that undergraduate students are encompassed in the 'exploration stage' of career development, which includes people 15 to 24 years of age (Super & Hall, 1978). This fact, combined with the information that the undergraduate students who participated in the study are all in Generation Y, provide explanation for the results as people who are in the same generation are expected to have relatively similar work values compared to those in other generations. Also, the characteristic that the sample of undergraduate students for this study was comprised largely of participants

who are enrolled in a Bachelor of Commerce degree (50.9%) is noteworthy in explaining the results. Since each of these students utilized their personal value system in order to arrive at the same decision to enroll in the Bachelor of Commerce degree, personal value systems are used to determine work values, and values in general are believed to remain consistent throughout phases in one's life - explanation can be deduced for the reason that no significant increases or decreases were discovered in work values of undergraduate students across their year of study.

However, the results also indicate that two of the specific work values measured in this study change in importance to undergraduate students as year of study increases. These work values are 'challenging work' and 'the organization being a leader in its field'. The findings suggest that challenging work is of greater importance to fourth year undergraduate students relative to first year students. Thus, hypothesis H1d, "challenging work will increase in importance over a four year undergraduate degree" is proven by the results. This finding is relevant to organizations with regards to defining job tasks and motivating employees. By taking into consideration that challenging work is of greater importance to fourth year undergraduate students who are being hired for new graduate roles, job tasks for these roles can be more effectively designed. An effective job design allows for the challenging work that is of importance to the new grad employee to be incorporated, will result in motivating the employee to perform optimally.

On the other hand, organizations should keep in mind that the importance of challenging work decreases from the perspective of a first year undergraduate student who is being hired for summer or part time employment prior to moving into their second year of study. Keeping this finding in mind will allow organizations to effectively design job tasks which allow for

organizational requirements and goals to be accomplished while successfully motivating employees through the work values that are of importance to them.

In addition, the results show that first and second year students view organizations differently. These findings suggest that in accordance with hypothesis H2d, undergraduate students who are in their first year of study in their degree place greater importance on the organization being a leader in its field relative to students who are in their second year of study. This finding has implications for organizations who are looking to recruit first and second year students. To explain, it would be beneficial for an organization seeking to hire a first year student to market their organization as a leader in its field and place significant emphasis on this in recruitment practices for summer students. More specifically, this is important for organizations who are leaders in fields which may not be as well known to first year students. For instance, an organization that operates within a smaller field or a less well known field, but is looking to hire a first year student can increase effectiveness of recruitment practices by showing that they are a leader in their field. On the other hand, organizations that are looking to hire undergraduate students who are in or have just completed their second year of study should focus less on the position they hold in their field. This is due to the fact that undergraduate students in their second year of study place less importance on the organization being a leader in its field.

Overall, the lack of significant increases or decreases in the majority of specific work values examined in this study is supported by existing theory on career development and generational differences in work values. That is, people in the same generation having relatively similar work values relative to those who are a great enough number of years younger or older to be in a different generation. However, the significant results that were produced surrounding the

work values of challenging work and the organization being a leader in its field have implications which are practical for application by organizations in regards to Human Resources practices.

### Limitations

The limited scope of this research project in regards to time and resources leaves some opportunities for improvement. Initially, a more representative sample could have been obtained by recruiting a more equal number of participants from each degree. For example, having a greater number of undergraduate students completing a Bachelor of Engineering degree participate in the study would have provided more equal representation of these students' work values. As a result, this would increase the ability to generalize the study results.

In addition, with more time and resources in regards to statistical analysis, the relationship between work experience that an undergraduate student gains throughout their degree and work values could have been completed. To explain, further statistical analysis would produce results on whether a student possessing work experience impacts their work values. Furthermore, an analysis could have been completed on whether a student having work experience that is relevant to their field of study alters their work values. The data necessary for this analysis was obtained through this study; however the time and resource limitations prevented the analysis from being completed.

Another option to improve this study would be to explore the relationship between gender and work values. This would involve utilizing additional statistical resources to analyze the multivariate relationship between gender and each of the work values measured in this study.



This would provide results indicating whether there is a significant increase or decrease in work values of undergraduate students across their year of study which can be attributed to their gender. The use of multivariate analysis could also be expanded to explore the relationship between undergraduate degree and each of the work values. Since the majority (50.9%) of participants were undergraduate students completing a Bachelor of Commerce degree, there is ample data to explore trends within this group of participants with regards to either increasing or decreasing work values across years of study.

Overall, this research study expanded on existing literature by providing a new perspective on university students and how this can affect an organization looking to hire a current student or new grad. By obtaining a representative sample, the results that were produced align with existing knowledge on adult development and produced research findings which suggest that work values within a generation are similar. As organizations look to hire students and new grads it will be important for them to look at their recruitment practices to use their resources effectively and efficiently.

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