

Generational Differences in Work Values

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Abstract

The purpose of this study is to research the shift in work-life balance values by surveying individuals born in the Generation Me era and comparing the results with generations surveyed by Jean M. Twenge and her team in *'Generational Differences in Work Values: Leisure and Extrinsic Values Increasing, Social and Intrinsic Values Decreasing.'* An online survey was conducted to test the value millennials place on social, extrinsic, altruistic, intrinsic and leisure rewards. This study surveyed 149 individuals between the ages of 18 and 35, with most respondents being University students. In terms of participant involvement, the study had nearly equal participation from both males and females. The data gathered was analyzed and measured using a Likert scale with the independent variable being millennial identity, and the dependent variables being intrinsic, extrinsic, social, altruistic, and leisure values. The results were examined and compared to Twenge's study to determine generational differences with regards to work values. After analyzing the results, it was concluded that Millennials valued all dependent variables more than baby boomers, GenX and the previous GenMe's that were studied. These results correlated with Twenge's original study as the results generated by that team were on a similar trend to this survey, the only difference exhibited is the increase in the need for all dependent variables. The original hypothesis was not totally accurate, although the want and desire for more rewards and less work was as expected. This study will provide good insight for organizations when it comes to rewarding and satisfying employees.

Introduction

In recent years the workforce has seen the entrance of yet another generation, accompanying this generation is a different set of expectations and work values. Different generations want different things in the workplace, and it has most often been found that

“Millennials work to live” whereas “Boomers live to work” (Barber, 2014). Understanding the differing needs and wants of workers is important to attract, retain and motivate employees. Aresenault (2004) believed a lack of understanding about generational differences has prevented “organizations from capitalizing on the strengths of generational differences”. In fact, these differences between generations and the lack of understanding regarding each generations differing preferences could be “the principal reason for the misunderstanding and lack of appreciation” (Barber, 2014) between new employees, existing workers and management. For example, Susan Jodin, the Human Resource director of OLG Canada noted that millennials currently entering the labor market have higher expectations of the level of autonomy workers should be given and expect to gain recognition and promotion at a faster rate than predecessors. Studies also show that Millennials seek more feedback and are more sensitive to negative feedback than previous generations.

So why does all of this matter? It matters because a record number of Generation Me workers are entering the workforce, an estimated at 1.7 billion worldwide, which will represent 25.5% of the world’s population, are set to replace the retiring Baby Boomers over the next decade" (Barber, 2014). This makes it very important to understand generational differences to better attract, integrate and retain new graduates. Understanding Generation Me’s expectations, desires and needs facilitates better communication and a more effective reward/retention system in the workplace. A review of popular literature suggests that in terms of good pay and benefits, rapid advancement, work-life balance, interesting and challenging work, and making a contribution to society the Millennials "want it all" and "want it now” (Lyons). In fact there is ample literature to support such ideas regarding the millennial cohort.

However there is often a question of validity when it comes to grouping such a large number of individuals together and judging them under the same construct. Many studies are unable to find the predicted differences in work values, and those that do often fail to distinguish between 'generation' and 'age' as possible drivers of such observed differences. In addition, the empirical literature is fraught with methodological limitations through the use of cross-sectional research designs in most studies, confusion about the definition of a generation as opposed to a cohort, and a lack of consideration for differences in national context, gender and ethnicity (Parry & Urwin, 2011). For example, research suggests that students' values change as they move from middle school, to high school, to college and into the workforce (Walsh, Vach-Haase & Kapes, 1996). It has also been reported that work attitudes, values and satisfaction change as workers pass through career stages" (Smola & Sutton, 2002). Additionally, the results of the MANOVA indicated that gender, visible minority status, work experience, GPA, and year of study were all significantly related to the set of 16 work attributes. In light of this a significant interaction effect was observed between gender and visible minorities. The results of protected ANOVA F-tests revealed that this interaction effect was significant for only two of the work attributes: opportunities for advancement and variety in one's work (Lyons).

This study seeks to add value by filling a gap in Jean M. Twenge's study. By including Millennials aged 18 – 30 this study greatly expands the diversity of responses by Millennials, therefore giving a more accurate depiction of how the generation itself aligns with Twenge's dependent variables of work-values. This study examines the variation within millennial-aged respondents based on the degree to which they fit the stereotype of millennials as portrayed in the media and popular press. This research group adapted previous literature by Jean M. Twenge and reissued that study to individuals advancing through various life stages, from entering

university to having several years of work experience. In doing so this study adds cross sectional components and have taken a step in expanding the longitude of the study, which is part of what Twenge identified as a key component of an ideal design for such cohort studies.

Importance of Work Values

In 1997, Dose defined work values as “evaluative standards relating to work or the work environment by which individuals discern what is right or assess the importance of preferences”. Simply work values are the qualities or preferences that each individual employee expects to have access to from being a part of a labor force. Work values are important influences in the workplace, having an impact on employee’s job satisfaction, commitment and general attitudes to work (Parry & Urwin, 2011). Therefore, understanding the differences in workplace values between individuals allows for more effective rewards and communication within the workplace.

Research Question

What is the relationship between millennial identity and the measures presented in Twenge's study?

Hypothesis

GenMe will value social and extrinsic rewards less but put more emphasis on altruistic, intrinsic, leisure rewards as outlined in Appendix A.

Methodology

Participants

The sample frame was made up of individuals who were born into the GenMe time period. Given the time period for which GenMe babies were born the study controlled for individuals aged 18-35. The introduction of this study presents a field where the participants age can be submitted, in doing so all those individuals under 18 or over 35 who participated in the

study were omitted. As such the results that were generated exclusively consisted of individuals born in the GenMe time frame. The participants included in the survey were recruited by means of social networking, email and mobile devices. In light of this the participants that made up this study were either friends, family or close acquaintances.

Analytic Procedure

The recruitment process for participant involvement in the survey was conducted from November 18, 2015 through to November 25, 2015. The recruitment effort drew a total number of 149 valid responses from a fairly diversified pool of respondents. Qualtrics Survey Software was utilized to conduct the survey and generate the results. The survey consisted of nineteen questions. Each question correlates with one of the dependent variables included in Twenge's study; altruistic rewards, intrinsic rewards, social rewards, extrinsic rewards and leisure. The responses to the dependent variables provided insight on the participant's affinity towards the independent variable, millennial identity. Respondents were broken down based on the information they provided at the beginning of the survey. The study employed various means to see how responses varied. Based on education respondents were grouped into high school, some college, some university, bachelor's degree, college diploma, PHD and other. Furthermore, to understand the gender differences between responses participants were sectioned into gender specific male and female categories. Data from Twenge's study was generated through a larger data collection effort, Monitoring the Future (Johnston et al., 2006), which has conducted a survey of high school seniors every year since 1976. The Twenge study used a multistage random sampling procedure to select high schools and then students to complete the survey. In light of the time and capital constraints faced by this group, this surveys depth and range of participants involved was limited to acquaintances of the surveyors. However, the diversity of

individuals involved in the survey is designed to fill a gap in Twenge's results, as the study conducted by Twenge's research group only focused on a specific year of birth whereas this survey spans close to two decades of the same generation.

Measures

The independent variable is intended to distinguish between the construct of *Millennial Identity* and how Millennials actually align with it. The purpose of this study is to measure that alignment via the use of specific questions, judged by a Likert scale, that are based on dependent variables which already existed within Twenge's study.

The dependent variables that were measured, intrinsic, extrinsic, social, leisure and altruistic rewards, were taken from Jean M. Twenge and her team in '*Generational Differences in Work Values: Leisure and Extrinsic Values Increasing, Social and Intrinsic Values Decreasing*'. In Twenge's study most questions are answered on a 5-point Likert-type scale ranging from strongly disagree to strongly agree. Twenge measured results from individuals born in three different generations 1958-1959, 1973-1974, and 1988-1989, respectively. In doing so the research group was able to capture responses from individuals born in the *Baby Boom* era, the *GenX* era, and finally the *GenMe* era. The results compiled for each individual group were compared and contrasted to see generational differences with regards to work values. In this study the responses to the dependent variable, regarding work values, were intended to shed light on the independent variable *Millennial Identity*. This study takes Twenge's results a step further by providing a more in-depth insight on the *GenMe* era because the study drastically expands the eligible pool of participants. The information collected on *Generation Me* should therefore be a more accurate description of the generations work values. This study incorporates the same methodology to measure responses as Twenge, due to the fact that the results from this study are

being compared to that of Twenge's the means of weighing and evaluating the data had to be as similar as possible. Therefore, this study proposed a question followed by a similar scale; not at all important to very important. To gather data about the dependent variables, specific questions related to characteristics of those dependent variables had to be employed. For example, to judge leisure the study asked "How much would you want to work for a company where you had two weeks or more vacation?" The measure in this instance is to evaluate the degree to which an individual values a job that gives increased leisure time.

Results

Within our results it was found all questions had high correlations to the value they were meant to measure, at a level of 0.25 degrees and above. This helps strengthen the validity of the original study and the results of this study.

The most important note is the high degree of significance between the correlation of all our independent variables and an individual's score on millennialism. Social rewards were the most correlated at 0.462 degrees of significance while altruism was by far the most unrelated at a significance of 0.287.

With regard to Twenge's results, it was found that millennials values of extrinsic rewards were significantly higher; scoring on average 0.95, 0.73 and 0.77 points higher than Boomers, GenX and GenMe respectively. Millennial's need for leisure was also higher; scoring on average 1.03, 0.68 and 0.57 points higher than Boomers, GenX and GenMe respectively. Millennials want for intrinsic rewards was also slightly higher; scoring on average 0.19, 0.21 and 0.28 points higher in comparison to Boomers, GenX and GenMe respectively. Millennials also find altruistic rewards more important by an average of 0.51, 0.54 and 0.58 points more than Boomers, GenX and GenMe respectfully. However, this category had the highest standard deviation of all five

categories at 0.88 which was also greater than all previous generations. Additionally, social rewards were also found to be more important by 0.24, 0.31 and 0.47 points on average in relation to Boomers, GenX and GenMe respectfully.

Trend lines are similar across both years and forms of education as shown in appendix B and C. The largest exception being that all groups rated question 3; A job where an easy pace that lets you work slowly, as least important except for those in high school. High school students felt a job that has high status and prestige and a job that most people look up to and respect, questions 16 and 17, were least important. Question 16 and 17 also generated the greatest gap between rated importance. Those who listed educational status as 'other' felt having a job with status and prestige was 1.54 points more important than those in high school. These individuals also felt that having a job people looked up to was 1.42 points more important.

This study built upon the original graph within Twenge's original study (labeled Table 1 in her report). The addition of this studies data added a fairly notable upward trend in the valued importance on all measured dependent variables. Amongst these results it can be seen that the least difference between deviations for altruistic rewards compares to all generations and the most significantly variance is the want for leisure.

Discussion

The dependent variables inspected were leisure rewards, intrinsic rewards, altruistic rewards, social rewards, and extrinsic rewards. All of these variables have significantly increased when comparing values to the study done by Twenge et al. (2010). This section will provide a deeper understanding of each variable and why each of them is important to millennials.

Leisure rewards have become increasingly important to millennials. This reward has been rising since the study was started in 1976. This information shows us that millennials are the

generation that has cared the most about what they do during spare time and how much time is spent working as opposed to fulfilling intrinsic and leisure needs. However, this study has identified that each generation that was surveyed has had an increased interest in leisure rewards. It was in this study that it increased the most. Using the data collected, this research group was able to determine that the mean of the current sample in leisure rewards is 3.33. This mean from the study Twenge et al. (2010) in the Boomer generation was 2.36. The reason millennials seek this within the workplace is because money is viewed as a primary means to buy desired goods. In other words, millennials do not live to work, millennials work to live. In Appendix D we are able to see the results from the previous study as well as the results from this study. The generations of Boomers, GenX, and GenMe were all included in the study done by Twenge et al. (2010). This studies results were those of Millennials. The 'd' values of each generation were used to calculate each plot on the chart. Looking at the leisure reward section, it can be noted that there is a steady increase from the Boomers to GenMe. When this studies data was inputted, the value jumped from 0.57 up to 1.5, the highest value of the chart.

As we can see in the study by Twenge et al. (2010), intrinsic rewards have decreased from the Boomer generation until the GenMe generation, and then dramatically increased with the millennial generation in our study. Out of the five values, the intrinsic value is actually the second least important value to the millennial generation, just ahead of social values. However, there has been an increased interest in intrinsic benefits since the time of GenMe. Millennials want to see more intrinsic reward in the workplace because personal growth and development is important to this generation. Furthermore, the feeling of 'making a difference in the world' has become a need for millennials who want to understand that good work is not going to waste. By using the data collected, this research group was able to determine that the mean of the current

sample in intrinsic rewards has increased to 4.04 from a mean of 3.85 in the Boomer generation (Twenge et al., 2010). Referring again to Appendix D, the value for intrinsic rewards had been steadily declining to a value of -0.20 at the GenMe level. When this studies data was inputted, this value did not follow the declining trend. It increased to a value of 0.40.

It can be seen that altruistic rewards have had a similar trend as intrinsic rewards. Millennials are actually more concerned and interested in altruistic rewards than intrinsic rewards, but not as interested as leisure rewards, which is the most sought after. The altruistic value is ranked above the intrinsic value, meaning that millennials care more about jobs that are helpful to others and worthwhile to society than personal satisfaction. This is sought after in employment because it is increasingly meaningful that a millennials work helps someone or something in the future rather than attaining personal rewards. Using the data collected, this study was able to determine that the mean of the current sample in altruistic rewards has increased to 3.81 from a mean of 3.30 in the Boomer generation. Looking again at Appendix D, it can be seen that altruistic rewards had a very similar trend to intrinsic rewards. Altruistic rewards had slowly been declining from the Boomers to GenMe at a value of -0.10. Then when this studies data was inputted, the value jumped to 0.64. It is very evident that millennials now value and care more about all aspects of work and social lives than any previous generation has.

When it comes to social rewards, it has now become increasingly important to work individually as well as part of a team. By making friends at work and talking to peers, millennials have the opportunity to network and also create an atmosphere where everyone feels comfortable sharing ideas. This helps when millennials work together as a group because it encourages people to share and generate a number of ideas and present the best possible solution. The importance of social rewards increased from 2006 (GenMe) to 2015 (Millennials)

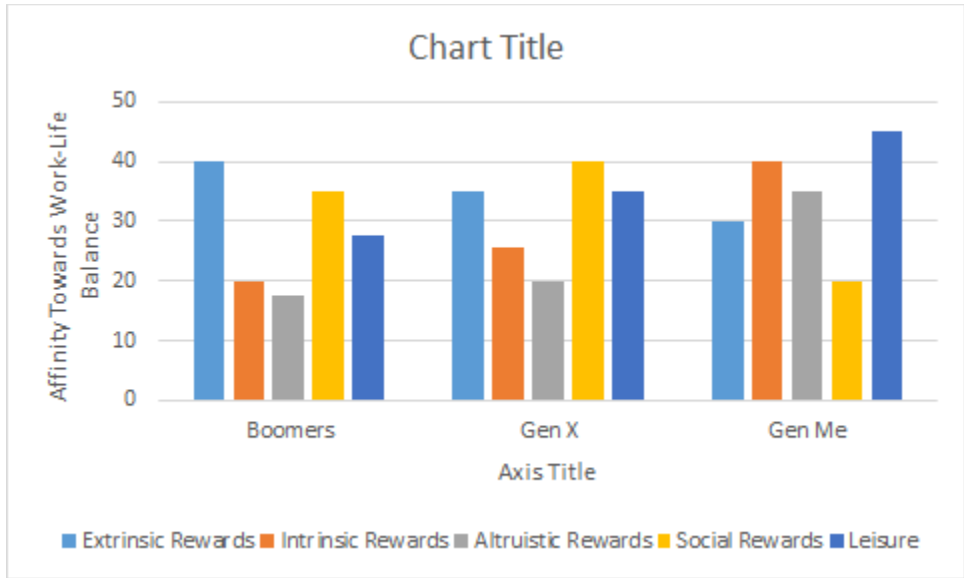
significantly as shown on Table 1. Most of the jobs are now found through networking and not solely based on qualifications and skills. That means that in order to go up a level in the company or work for another organization, millennials not only have to have the necessary qualifications and skills, but also the ability to network. More and more companies are also starting to host social events as an opportunity for employees to get to know each other and their managerial team.

Furthermore, the value for extrinsic rewards also increased from GenMe (2006) to Millennials (2015). As mentioned earlier, the millennial generation works to make a living. That is why more and more new graduates are expecting to find a job that offers a great salary, benefits, and career advancement options. A large reason for this is because of the amount of debt new graduates exit school with and that work expectations have increased significantly over the last several years. Attending university or college has become very expensive but that is the minimum amount one can do to secure a good job these days. In light of the fact that millennials have paid so much to get an education, this generation is looking for work that will payback the hard work and time that was put into attaining higher education. Since most students get a loan in order to complete post-secondary education, new grads today expect a job that can help pay off debt in a stress free fashion. Additionally, minimal employment standards set by the government require employers to pay employees the minimum wage, vacation pay, return-to-work etc. In order to raise competition and recruit more individuals, many employers offer benefits that are far better than the minimum requirements. Millennials want more of everything, as indicated in the results, so millennials will inevitably aim to land a position in a company that is willing to offer everything.

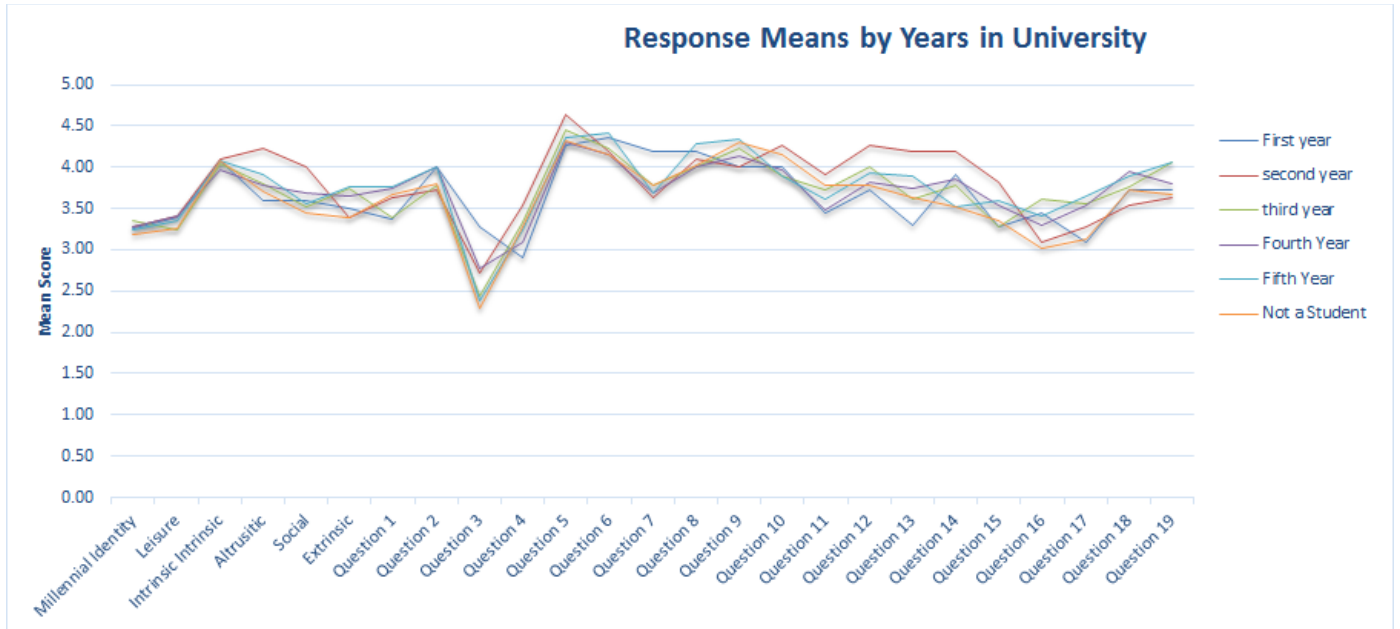
Limitations

There are a few limitations that must be noted in order to accurately understand this study's findings. First of all, one limitation is the fact that the survey was only available online. This excludes all millennials who might have found or participated in the survey via a different medium. If the survey was in a hard copy form it is possible that study may have been able to attract more participants, and the more participants, the better the results. Having the survey online also did not guarantee that participants were giving wholehearted responses and answering the questions honestly. Another limitation would have been the time constraint on the availability of the survey. The group only allotted for approximately 10 days for people to fill out the survey. If more time was presented for data collection, the research group would have been able to increase the number of respondents and ultimately create more validity to the findings. Finally, one last limitation is the relatively small sample size and where the majority of respondents come from. The study did have 149 participants, but having said that the majority came from the University of Guelph. Clearly this isn't a clear cut depiction of what results would have looked like if the study branched out further.

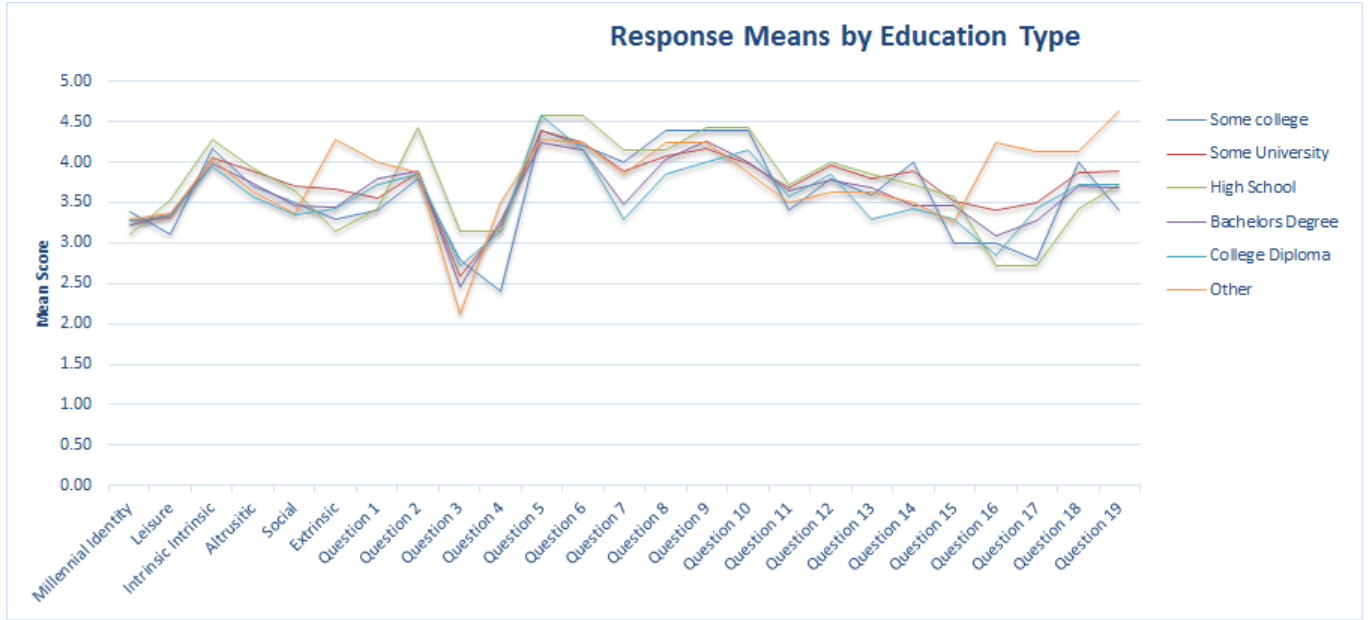
APPENDIX A: HYPOTHESIS GRAPH



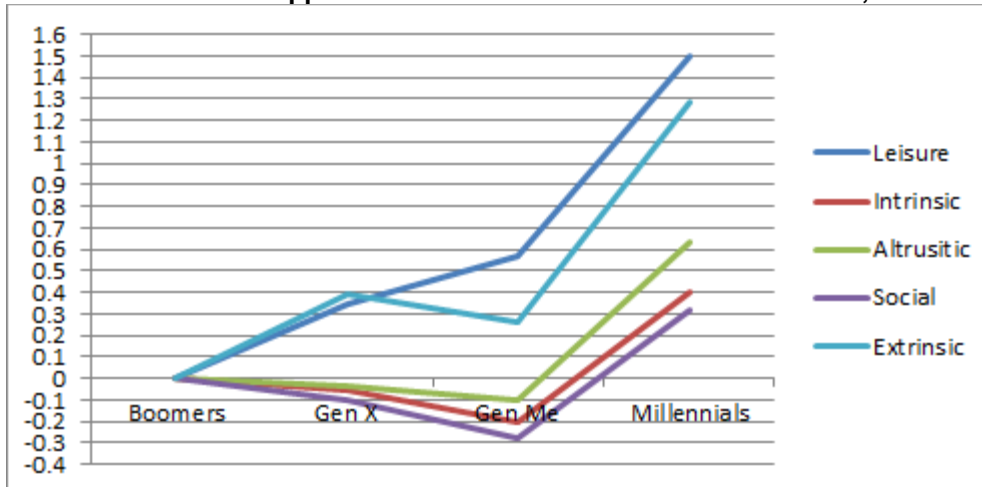
APPENDIX B: TRENDS ACROSS YEARS IN UNIVERSITY



APPENDIX C: TRENDS ACROSS TYPES OF EDUCATION



Appendix D: CONTINUATION OF TWINGE 2010, TABLE 1



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