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MANAGEMENT

Recent Trends in HR – Comparison of Gen X, Y and Z

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Mrs. Aakanksha Landge

Faculty of BBA Department,
MAEER's MIT Arts, Commerce and Science College,
Alandi (D), Pune.
E-mail: aalandge@mitacsc.ac.in

Ms. Lata Y. Maindad

Faculty of BBA Department,
MAEER's MIT Arts, Commerce and Science College,
Alandi (D), Pune.
E-mail: lymaindad@mitacsc.ac.in

Abstract

The newest and youngest members of workforces all over the world are making their presence felt, causing businesses to rethink their working practices and adapt their working environment to this breed of employees and managers. Generation Y is perceived as invading the workplace, arriving like unruly and energetic guests at a stuffy country house party and shocking the house guests who are already there. And they are bringing outsize luggage in the form of multiple digital technologies, their social networks, their tech-savvy culture, new ways of contemplating work and new managerial forms.

This research accepted that both intrinsic and extrinsic factors have their own motivation effects towards the two generation cohorts, rather than following conventional setting of theory where extrinsic factors will either arise job dissatisfaction or being neutral toward jobs, while Intrinsic will be the factors of employees' motivations. A number of research finding have further introduced to support this research model.

Keywords: Generation X, Generation Y, Generation Z, Millenniums, Workplace.

Data Collection: This paper is completely based on secondary data published in newspapers, internet and journals.

Hypothesis: Difference in the human resource since 30 years to future 30 years. Changing trend in human resource due to dynamism in world economy.

Introduction

Businesses have to compete to attract, develop, deploy and retain the services of skilled people. It is crucially important to understand what matters to them. In particular, we need to understand what things matter most to Generation Y and the Generation X, the youngest and newly entrants in the workplace.

We must attach a great importance to diversity in our workplaces and the factors that must be taken into account when considering workplaces as a likely strategic weapon in the battle to attract and retain scarce young talent.

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Review of Literature

Who are Generation X and Y?

Generation is defined as people that are grouped within a certain range of ages, location they live, and significant life events they experienced at critical developmental stages.

Generation X (1965-1980) refers to as Lost Generation that are born between 1966-1976 and reaching their age of 36 to 46 years old as of year 2012. Generation X learned from their elders that following company rules and regulations is least likely secure their jobs.

Generation X Characteristics

- Focused on self-career
- Work-life balance
- Self-reliance
- Skeptic
- value prompt recognition and reward
- Prefer instant feedback

Generation Y (1981-2000): Generation Y is well known as Millenniums who are born between 1980 to 2000 and it is perceived that Generation Y employees are more co-operative and optimistic than their elders as most of them have high educational background or professional training.

Generation Y Characteristics

- Focused on self-career
- Optimistic
- Pro-diversity
- Team player
- Technology savvy
- Casual
- Fun loving
- Work-life balance
- Value prompt recognition and reward

Generation Z: Generation Z is the generation of children born after the year 2000. They are the children of Generation X and Generation Y. Generation Z are predicted to be highly connected, living in an age of hi-tech communication, technology driven lifestyles and prolific use of social media. A lot of what we think we know about Generation Z is inferred, and only time will tell whether we have been correct.

Motivation

Motivation is one of the most important factors that affect human behavior and performance. The term motivation has ing discussed and conceptualized by various researchers. Motivation is something that energizes individuals to take action which is concerned with the choices the individual makes as part of his or her goal-oriented behavior. According to

Fuller *et al.* (2008), motivation is a person's intensity, direction and persistence of efforts to attain a specific objective. In recent research, motivation is defined by Saraswathi (2011) as the willingness to exert high levels of effort, toward organizational goals, conditioned by the effort's ability to satisfy some individual need. Based on the above definition, individuals' motivations start with recognition of a desire that is not present at the time the individual noticed, followed by mental desire to achieve something, thus following by physical actions to obtain the desire.

The level of motivation an individual or team exerted in their work task can affect all aspects of organizational performance. Among all content and process theories of motivation, Frederick Herzberg's well-known Two-factor Theory has introduced a simple yet distinctive factors of employees' motivations. The setting of theory has separated employees' motivation factors into Extrinsic and Intrinsic. Extrinsic Factors also well known as job context factors are extrinsic satisfactions granted by other people for employees (Robbins, 2009). These factors serve as guidance for employers in creating a favorable working environment where employees feel comfortable working inside.

Intrinsic factors, on the other hand, are the one that actually contribute to employees' level of job satisfaction. It has widely being known as job content factors which aims to provide employees meaningful works that are able to intrinsically satisfy themselves by their works outcomes, responsibilities delegated experience learned, and achievements harvested (Robbins, 2009). Intrinsic factors are very effective in creating and maintaining more durable positive effects on employees' performance towards their jobs as these factors are human basic needs for psychological growth.

Previous studies have shown that both extrinsic and intrinsic factors have influenced employee motivation. For instance, Lahoud (2006) discovered that motivation factors are correlated positively with person's education and life experience. In another study among Japanese Electrical and Electronic Manufacturing Companies, Mohani *et al.* (2010) revealed that older executives who have more work experience showed a higher level of motivation compared to the younger executives.

Several findings have probed deeper into preferences of intrinsic and extrinsic motivation factors for Generation X and Generation Y. From a research conduct by Ringer and Garma (2006), Generation X was found to display higher preference for intrinsic motivations compared to Generation Y. Besides, Jang (2008) has concluded that Generation Y employees seem to be more motivated by extrinsic motivation than their elder generations. They are more likely to leave their jobs when another company provides better extrinsic FACTORS such as pay and benefits. In conclusion, this indicates that Generation Y employees have heavier needs in extrinsic motivations from their jobs compared to elder generations.

Generation have mixed preferences for both extrinsic and intrinsic motivation factors. Another research contributed by Alley (2011) also supported that Generation Y is motivated by extrinsic factors than intrinsic factors and they are highly oriented towards achievement value. Furthermore, research finding arrived from Lourdes *et al.* (2011) has concluded with similar statements, where Generation Y give their priorities to extrinsic motivations such as fixed working hours and job security, while Generation X give greater importance to intrinsic motivation factors such as recognitions for their work and sense of achievements received from their community.

In a recent study, Zhou (2012) also found similar result in which Gen Ys are largely dissatisfied with their work, significantly more than their elder generations. Moreover, according to the Centre for Management Communication at University of Southern California's Marshall School of Business (2012; cited from Tim, 2012), Generation Y workers are less likely to be satisfied with their jobs. The reportage commented that across all major fields and industries, job satisfaction levels for new Generation Y professionals are plummeting. Lastly, a recent research that focuses on total of 370 individuals for Work Preference Inventory, Shea (2012) has suggested that Generation Y were greatly motivated by extrinsic motivation factors compared to Generation X. *Vice versa*, they are less intrinsically motivated than their previous generations.

Table 1

Intrinsic factors		Extrinsic Factors
Achievements		Pay and Benefits
Promotion	Generation X and Y	Work Condition
Recognition		Company Policy and Administration
Work Itself		

Results and Discussions

The findings as shown in Table I show that significant differences on extents of satisfactions for both intrinsic and extrinsic factors on Generation X and Generation Y respondents. Generation X respondents found high satisfaction in work itself and moderate satisfaction for achievements, recognition, and promotion under intrinsic factors; while high satisfaction in work condition and company policy and administration and moderate satisfaction with pay and benefit under extrinsic factors.

In contrast, Generation Y respondents were found moderate satisfaction on promotion, recognition, achievements and slightly satisfaction in work itself that categorized under intrinsic factors; while moderately satisfied for all three extrinsic work condition, company policy and administration as well as pay and benefit.

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MIT Arts Commerce & Science College, Alandi (D), Pune - 412105.

(Affiliated to Savitribai Phule Pune University)

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CERTIFICATE

This is to certify that _Prof. Aakanksha Landge_

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He / She has presented a paper entitled _Recent Trends in HR :- Generation X, Y & Z._

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