

Comparative Analysis between Generation Y and Baby Boomers to Study Effects on Workplace Retention

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Abstract: Organizations are currently facing the retirement of many senior employees and the challenge of retaining young talent. The paradigm shift in the same is known, however few studies have empirically substantiated generational differences in work values. This study “*COMPARATIVE ANALYSIS BETWEEN GEN Y AND BABY BOOMERS TO STUDY EFFECTS ON WORKPLACE RETENTION*” examines the comparison between work values of Gen Y and Baby Boomer employees in the Indian perspective. The sample has been taken randomly and the respondents consisted of HR Recruiters, HR Specialists and HR Generalists across sectors. The findings of this report have brought out the sharp contrast in the expectations of the two generations; whilst the older generation are patient and continue working for a longer time in their organization, the younger and more restless generation is constantly seeking better opportunities be it in terms of salary or growth. It was also observed that GenY employees are willing to sacrifice family and relationships more than Baby Boomers in their quest for achieving professional pinnacles. These findings have practical implications for the recruitment and management of the emerging workforce.

Keywords: work values; generational differences; reward preferences; Gen Y vs. Baby Boomers in India.

1. INTRODUCTION

As the old adage goes: Change is a constant and thus organizations must contend with differences between generations, such as in core attitudes toward work. A multigenerational labour force has important implications for organizations concerning diverse perspectives, priorities, and work styles. Currently, the demographics of the labour force span four generations. These generations are the Mature/World War II Generation, Baby Boomers, Generation X, and Generation Y/ Millennials. Thus the Baby Boomers are currently aged between 45-67 years while the Generation Y ages 21-36 years. This study primarily focusses on the work values that drive the Baby Boomers to continue working within the same organisation v/s the rationale behind Generation Y's swift organisation-transitions.

2. OBJECTIVES

- I. To find the difference in existing behaviour of Generation Y and Baby Boomers in the workplace scenario
- II. To analyse the expectations of Generation Y and Baby Boomers from their jobs

3. REVIEW OF LITERATURE

Tolbize, 2008 presented the paper “*Generational Differences in the workplace*” for the Research and Training Centre on Community Living, University of Minnesota, USA. In this paper, the four generations of American workers are described, generational differences and similarities are identified, and implications for employers are discussed by taking a sample size of employees and interviewing them. The factors of variance between the generations were found to be work ethics,

expectations regarding respect, preferred way to learn soft and hard skills, supervision, attitudes regarding loyalty to their employer, work/life balance, perceived elements of success in the workplace, top developmental areas and preferred leadership attributes. The factors of similarities in thought were concerns related to change, attitudes towards team work, attitudes regarding flexibility, most important aspects of workplace culture, communication tools used for work, top values, and best reasons for happiness in the workplace. The final conclusion drawn was that organizations that acknowledge the experience of older workers, and respect the talents and contribution of new workers may experience higher retention rates.

Twenge, Campbell, Hoffman, Lance, 2010 presented the paper “*Generational Differences in Work Values: Leisure and Extrinsic Values Increasing, Social and Intrinsic Values Decreasing*” for Journal of Management (Vol. 36 No. 5, September 2010 1117-1142, DOI: 10.1177/0149206309352246). This study examines the work values of a nationally representative sample of U.S. high school seniors in 1976, 1991, and 2006 (N = 16,507) representing Baby Boomers, Generation X, and Generation Y. These analyses isolate generational differences from age differences. Leisure values (d) increased steadily over the generations (d {comparing Boomers and GenY} = 0.57) and work centrality declined. Extrinsic values (e.g., status, money) peaked with GenX but were still higher among GenY than among Boomers (d = .26). GenY does not favour noble work values (e.g., helping, societal worth) more than previous generations. Social engagement values and intrinsic values such as an interesting, results-oriented job; were rated lower by GenY than by Boomers. The results suggest that managers should consider using different techniques with GenY than they did with GenX and Boomers 15 or 30 years ago.

4. RESEARCH METHODOLOGY

There is a paradigm change in the thoughts, ideologies and views between the Baby Boomers and Generation Y, thus this topic for study was selected to understand the effects on workplace retention. The target respondents for the research were HR managers from various organisations across India, aging between 25-45 years. Based on the results the hypotheses were formed:

A. Generation Y is heading towards higher job retrenchment rates as compared to Baby Boomers due to differences in mind sets

B. Generation Y has higher job expectations from the organisation they work in

The responses to the questions are tabulated as below.

5. RESULTS AND DISCUSSIONS

Table 1: Comparative analysis on sacrificing individual preferences for obtaining a position

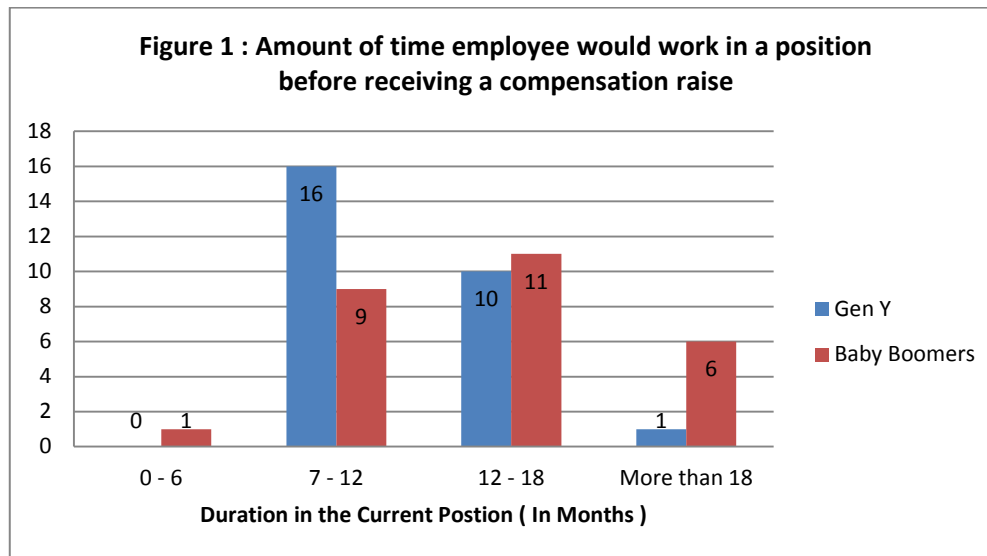
	SNo	Factors	Me - Time		Integrity		Relationship		Health	
			Numbers	Percentage	Numbers	Percentage	Numbers	Percentage	Numbers	Percentage
Baby Boomers	1	Most Willing	5	17.00%	6	21.00%	8	28.00%	11	38.00%
	2	Willing	15	52.00%	9	31.00%	9	31.00%	5	17.00%
	3	Neutral	4	14.00%	7	24.00%	6	21.00%	6	21.00%
	4	Less Willing	4	14.00%	5	17.00%	6	21.00%	6	21.00%
	5	Not Willing	1	3.00%	2	7.00%	0	0.00%	1	3.00%

Gen Y	SNo	Factors	Me – Time		Integrity		Relationship		Health	
			Numbers	Percentage	Numbers	Percentage	Numbers	Percentage	Numbers	Percentage
	1	Most Willing	5	17.00%	2	7.00%	0	0.00%	3	10.00%
	2	Willing	12	41.00%	11	38.00%	14	48.00%	14	48.00%
	3	Neutral	8	28.00%	7	24.00%	7	24.00%	4	14.00%
	4	Less Willing	4	14.00%	7	24.00%	7	24.00%	7	24.00%
	5	Not Willing	0	0.00%	2	7.00%	1	3.00%	1	3.00%

Baby Boomers	SNo	Factors	Salary		Job Location		Working Hours		Personal Life	
			Numbers	Percentage	Numbers	Percentage	Numbers	Percentage	Numbers	Percentage
	1	Most Willing	5	19.00%	5	19.00%	4	15.00%	7	26.00%
	2	Willing	7	26.00%	11	41.00%	9	33.00%	7	26.00%
	3	Neutral	6	22.00%	4	15.00%	9	33.00%	4	15.00%
	4	Less Willing	5	19.00%	6	22.00%	5	19.00%	6	22.00%
	5	Not Willing	4	15.00%	1	4.00%	0	0.00%	3	11.00%

Gen Y	SNo	Factors	Salary		Job Location		Working Hours		Personal Life	
			Numbers	Percentage	Numbers	Percentage	Numbers	Percentage	Numbers	Percentage
	1	Most Willing	10	34.00%	10	34.00%	4	14.00%	6	21.00%
	2	Willing	2	7.00%	13	45.00%	13	45.00%	13	45.00%
	3	Neutral	5	17.00%	5	17.00%	9	31.00%	6	21.00%
	4	Less Willing	7	24.00%	0	0.00%	3	10.00%	4	14.00%
	5	Not Willing	5	17.00%	1	3.00%	0	0.00%	0	0.00%

It was found that both the Baby Boomers as well as Gen Y had some similar traits as far as engagement towards work ethics are concerned. Both of them had substantial accountability towards their job responsibilities. A similar study result was revealed in the survey done on "Generational differences in the work place" done by Tolbize in 2008. On the contrary, there has been a slight change as far as the work life balance is concerned. While the Baby Boomers were more inclined towards their family life and health, the Gen Y are more focused on their work. They believe to finish their work in one go rather than taking a prolonged approach.



What is important to understand is that GenY employees are quicker to move to greener pastures and thus transitions to an alternate organisation are more frequent, as analysed in Table 1 and Figure 1. They need constant appreciation and recognition along with a visible scope of growth to continue working in an organization. Salary is very crucial to the newer generation and they are not easily satisfied with the same remuneration level for very long. It is this ardent requirement of monetary and job-role growth, that propels them to shift bases. Hence, it can be easily inferred that Generation Y is heading towards higher job retrenchment as compared to Baby Boomers.

The above results prove hypothesis 1 (*“Generation Y is heading towards higher job retrenchment as compared to Baby Boomers due to differences in their mind sets”*) correct hence the hypothesis is accepted.

Table 2: Gen Y expect more from their organisation as compared to Baby Boomers

SNo	Parameters	Numbers	Percentage
1	Agree	25	86.00%
2	Disagree	4	14.00%

It is observed that Gen Y employees have more and higher expectations from the organisation. When surveyed, 86% of the respondents agreed to the fact that the anticipations of the Gen Y employees are much higher than that of Baby Boomers from the organisation they work in. The aspirations of the younger generation are manifold and thus the expectations from their organisation is also enhanced.

Generation Y has higher job expectations from the organisation they work in. Inferences from Table 2 proves hypothesis 2 (*“Generation Y has higher expectations from the organisation they work in”*) correct and hence hypothesis is accepted. The above results are in correlation with what Twenge and Campbell found in the year 2010.

6. CONCLUSION

The highest number of respondents (48%) were found to be between the age group of 25-30 years. Majority results show that Generation Y is heading towards higher job retrenchment as compared to Baby Boomers due to differences in mind sets. It was also seen that on average, Generation Y has higher expectations from the organisation they work in.

Hence both the hypotheses hold true.

REFERENCES

- [1] Tolbize, (2008) “Generational Differences in the workplace” for the Research and Training Centre on Community Living, University of Minnesota, USA
- [2] Twenge, Campbell, Hoffman, Lance, (2010) “Generational Differences in Work Values: Leisure and Extrinsic Values Increasing, Social and Intrinsic Values Decreasing” for Journal of Management Vol. 36 No. 5 .