

Proper Motivation Tools, Features of a Preferred and Non-Preferred Workplace from the Aspect of Generation Z Based on a Quantitative Research Results

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Abstract

There is a very strong competition in the Hungarian labour market for talents. Recruiting and motivating of employees are one of the most important key element of saving our competitiveness. That is why so many employers pay attention to improving their employer branding activities, supporting talents, strengthening their relationship with educational institutions. Universities also has to focus on challenges of labour market and requirements of employers in order to offering targeted courses, training potential employees. This present study examines the potential motivation tools managed with success in case of generation Z , their attitude toward the preferred and non-preferred workplace and their feeling concerning to the generation problems. In the frame of primary research project quantitative methodology was carried out with the help of standard questionnaire. During the sample taking methods snowball methodology was used. This research is a part of a research project supported by the ÚNKP-17-4 New National Excellence Program of the Ministry of Human Capacities1.

Keywords: Motivation tools, Z generation, Quantitative research

1. Introduction

Differences between the various generations were always present at workplaces. This phenomena exists for a long time, since different generations perceive the same workplace or task differently, and also evaluate the conditions offered by employers differently. However it is a fact that the gap has never been so great between the active generations working at the same workplace, as it is today. One reason behind this change is that the industrial society has been gradually replaced by an information and then by a knowledge based society, which has completely rearranged the system of communication between people. Internet makes the obtaining of information easier, however it changes the nature of the relation between people, and results in never before seen generational conflicts. The information society created a virtual society as well. Younger generations are brought up within this virtual society, and this is the place where they are able to act confidently. More confidently, than in the real world. Older generations therefore many times feel excluded from this new world. Employers find it difficult to offer tasks and an atmosphere which would be optimal, attractive and inspirational for employees with different value systems and different socialization backgrounds. It is not by chance that in the past years, a number of researches have been conducted on how the ranking of employee motivational tools had changed, considering the fact that the HR profession experiences this change to an increasingly greater extent. Generation researchers define generations based on the cohort experiences of youth age: the mutual experiences, which could later influence the shaping of the personality and value system of the age group. (Törőcsik, 2003) Researches claim that the economic-social environment, in which that particular generation was socialized is a rather important aspect. The impulses, influences they have experienced, or the objects characterizing their environment, and the events defining their lives greatly contribute to their performance on the labour market, and attitude towards work and career. Accordingly, professional literature reveals the following generational peculiarities (Tari, 2011):

“Veteran generation”

Usually work for one employer, on one field throughout their whole life. It is true that they have built a new world, in which they have gathered valuable knowledge and experience, however many times they stick to solutions which worked for them in the past. Their presence on the labour market is not typical today.

“Baby-boomer generation”

They desire new ways, knowledge, information, action, they build careers. This is what makes them different from their parents. They are the great rebels, the “flower children” of the seventies, who wanted to live in peace and happiness. Then they grew up and started to work. Though they still question the world created by their parents, sometimes the old habits they were taught emerge. Today they are characterized by discipline, respect and persistence. They are attached to their workplace, and their desk. Horizontal career paths have great importance for them.

“Generation X”

The messenger, or transient generation. They have encountered the world of Internet already in their teen and youth age, and their work and life is basically defined by the web. Most of them are typical “salary man”, who let others tell them what to do and how, they follow the company rules to the letter, and become incorporated into the organization. Nevertheless, they are able to renew themselves again and again, and keep up with the fast pace of today’s world. The name X does not only refer to the people, but also to a certain kind of social hierarchy, in which people are prisoners of the sacred triad of status, money and social ladder, with an emotionally and intellectually empty life.

Members of generation X are not those ripped jeans kids who “sleep together out of wedlock, did not learn that in God we trust, and do not respect the Queen and their parents”, as quoted by the Time magazine in 1990. Generation X is at the peak of its performance now. Their knowledge, experience, wisdom, discipline in work and loyalty represents such a value which could make any type and sized company one of the top ones.

“Generation Y”

They are the first wave of the digital generations, internet is present in their everyday lives. Generation Y brings a serious challenge for the labour market, since they represent a new level of quality compared to their predecessors, the messenger generation. They confront long existing rules with an even greater confidence than that of the previous generation, and they also have different abilities. Esoteric literature says that they are on a mission: their task is to open the spiritual eye of mankind, and to form a critical mass with the duty to initiate changes.

They grew up together with computers, they are quite practical, and know their way well around the internet. Generation Y shapes and forms the workplace themselves to fit their needs. The millennium generation wants to enjoy their workplace: it should be modern, different from ordinary, with spacious rooms and with a kitchen to spend meals together while chatting. (Ali, Szikora, 2017)

“Generation Z”

Members of generation Z – the target group of our primary research project – were entirely born into the world which is more and more defined by the various digital technologies: they are the IT, or Digital X (DY) generation. Generation Z, who entered the labour market in the first years of the 21st century, is characterized by rapid changes.

It is not by chance that they got their name from the expression “zappers”, or “switcher, hopper”. They live their lives in a much faster pace than their predecessors, and if there is something they don’t like – such as a job – they are ready to change immediately. Compared to the previous generations they represent an entirely different world: modern technology, IT, the online world reached the adult age at the same time with them, becoming a part of their personalities.

They live their social relations in the real and virtual world at the same time. For them it comes natural that their everyday communication, emotional and social life, creative spirit and playfulness are performed on the internet, with the help of mobile phones and other digital devices, with each other, and shared in front of the greatest audience (Facebook, Twitter, iwiw...). Members of the digital X generation practically never knew a world without internet, telecommunication or television. Maybe this is why they are battling with the lack of interpersonal skills, and the inability for active listening?

Characteristics of generation “Z” as workforce

Job-hopping is natural for generation Z. They move on without compromises, they are jumping between workplaces just like a monkey jumps from tree to tree, anytime they feel like they need to, they won’t get stuck at a company, they will not worry about having a steady income or a fix desk somewhere. They are brave, initiative, they have less doubt regarding their own abilities and limitations. They have a practical mindset, and appreciate the freedom of the individual, and indirect, informal environments. They are building a new world, since they do not represent a traditional office work culture, as they are able to perform their tasks in any part of the world with the help of internet, and they create their own virtual communities. Spiritual literature identifies them as the star or crystal generation. They are characterized by being rather smart than wise, and they feel comfortable in the world of technology. They are not good with words and emotions, and they are able to realize their desires even if the cost is high. They will not

implement their revolutionary ideas individually, but they will rather serve the society in collaboration with each other. 97 percent of young people considers the protection of the environment to be important, and 74 percent of them already practices green behaviours such as recycling or selective waste collection, and purchasing energy-saving light bulbs. When having to choose between two workplaces, they rather prefer the one with a conscious CSR strategy and an environment-conscious way of thinking. (Ridderstrale, 2004) For members of the digital generation, personal relations are decisive, and they use the internet as a tool facilitating the maintenance of existing friendships and relations. The five most attractive occupations according to them are veterinarians, teachers, policemen, doctors, and of course football players, though 64 percent of them aspires to become their own boss as an adult instead of having to work for somebody. This is an important information for companies. They will have to establish such an organizational structure and culture, which supports individual work and has a flat hierarchy. The trend of “flattening” of organizations will continue in the beginning of the 21st century. Compared to the size of the organization, the levels within the hierarchy will decrease. The number of employees reporting to a single leader, and the number of employees supervised by the leader will increase, however hierarchical levels will disappear. The number of positions reporting to the CEO will grow, while the number of hierarchical levels in between will fall. Divisional leaders will get closer and closer to the CEO, they will work under a tougher control, but at the same time for a higher salary, and with an incentive that stimulates their long term interest. (Kissné, 2010.; Tari, 2010)

2. Method

In this present study, we demonstrate the partial results of the second phase of a research project. Within the frame of this two-phased project, we analyse the factors influencing the career and workplace selection of generation Z, via qualitative and quantitative techniques. Our objective is to be able to provide a certain guideline for employers focusing (also) on generation Z, which will contribute to the definition of the milestones of a target group oriented employer branding strategy.

In the first phase of the research project we have conducted a qualitative analyses via thirty mini focus-interviews with a semi-structured interview guide. Respondents were recruited with the snowball sampling method, using one filter criteria: based on their age, respondents must belong to generation Z. The maximum number of respondents in one focus group was 6, in all cases we have arranged heterogeneous groups based on gender, to be able to confront and compare opinions.

Interviews were audio recorded. The results were processed with the help of regular content analysis methods. The goal of the qualitative phase was the exploration and the definition of hypotheses, and to prepare for the second phase, the qualitative research.

The main questions of the first phase of the research focused on the followings: What is the opinion of this age group on career, success, and preferred and undesirable workplaces? What is the importance of a career and success in work, and what are the factors that help them most in the realization of their individual goals? What do they expect from a good workplace?

What kind of activities, programs offered by the employer would suit this target group best?

What kind of generational problems does this age group see, perceive? How open are they towards working together with other generations, what are the advantages, disadvantages they feel and experience? The partial results of the first phase of the research project are introduced in previous studies. (Fodor et al. 2017) In the second phase, the qualitative survey has been implemented. Again, thenon-representative snow ball method was applied during the sampling process, and we have recruited respondents with the same filter criteria regarding their age. Throughout the conduction of the survey, we have used a standardized questionn aire designed by the results of the qualitative results. With the application of the CAPI method, we have received 1178 valid questionnaires as a result of the survey.

In this phase we attempted to find answers to the following research questions:

What are the preferences set by respondents when selecting their place of work?

How efficient are the motivational factors we analysed in case of this generation, in order to stimulate them for a more efficient performance at work?

What are the information channels this generation prefers when gathering information about workplaces and careers?

How and with what conditions would they use the “assistance of a career-supporting mentor” defined as a result of this research, or what are the services they consider to be really useful?

3. Findings

How can an employer effectively motivate its Z workers?

The word motivation – or incentive, inspiration – originates from the Latin word “movere”, which means to move, movement. (Klein, Klein, 2008) Motivation provides an explanation for the observable behaviour of people. The understanding of the various motivational theories and tools is necessary for the selection of the best incentives and drivers ensuring the most efficient solution in case of employees as well.

From the aspect of Employer Branding and management theory, it is important to know that performance is nothing but the product of abilities multiplied by motivation. (Dr. Tóthné, 2004) The result of a well-designed incentive plan is the performance expected by the organization and the satisfaction of employees. Leaders are able to have an influence on this, and with the proper range of motivational tools they are able to generate an efficient stimulation in order to achieve the desired results. (Göndör, 2003)

Motivation theories were first studied to a deeper extent after the XVII. century, and the most popular theories regarding consumer behaviour and consumption psychology were drafted in the XX. century. (Kópházi, 2007; Tóth, 2009) After the elaboration of content theories – Maslow, Herzberg – process theories were developed, Vroom for example revealed that it is important that workers should feel that they are able to solve the assigned task, and receive a reward for the performed work, which will appeal to them, and provide a motivation throughout the performance of tasks. Furthermore, he also emphasized that during a work process the factors driving a particular person must be taken into account, and the incentive system must be elaborated accordingly. It is important that performance should have to be measurable, since that is the only way of providing accurate reward. (Garda, 2009, Gonda 2013) The efficiency of external rewarding is questioned now by the motivation 3.0 theory. Pink proved that not only biologic and external rewarding can serve as motivation. He highlighted the fact that motivation can also be counterproductive in terms of efficiency: he compared reward to caffeine – it keeps people at a fast pace only for a few hours, but after the effect is gone, things will get worse. (Pink, 2010) Pink emphasized the importance of internal motives and their motivational impact on the efficiency and productivity of work. Though it is not well known in Hungary, a number of companies in the USA apply the results-only working environment (RAWES) concept successfully. (Howell, 2000) The results of the qualitative analysis show that fringe benefits and more free time also serve as great motivational factors, being on top of the preference list. While these were also important in the quantitative research, they were not perceived as the most important ones. A creative working environment and the opportunity to implement their own ideas seemed to be more important than a good cafeteria system.

Table 1. Ranking of proper motivation tools

The range of HR tools which can be applied effectively in case of the various generations is important from the aspect of employer branding. Our results reveal that the most important driver for generation Z is still a high salary, although promotion opportunities and the promise of a good team, good atmosphere also came close to the top.

The results of the quantitative research are in accordance with the conclusions of the qualitative research, where during the discussions about how they select their workplace, the first factor respondents mentioned was the payment as well, and the most frequently mentioned drivers also included a good working atmosphere, attractive environment, and a good team, where they feel good while performing their job.

Table 1. Ranking of proper motivation tools

To what extent do the following factors motivate you for a better performance at work?	average
higher salary	3,64
opportunity for promotion at the workplace	3,46
opportunity for a career abroad	2,60
greater independence in decisions	3,08
more free time, less work	3,21
opportunity to implement own ideas	3,25
to work in a good team	3,47
opportunities to take part in training sessions, professional development courses	2,97
other fringe benefits (cafeteria)	3,22
modern, creative working environment	3,32

The opinion of experts also confirm the conclusions of our research, that even though the salary is important for the younger generations, it is not enough to retain members of this generation at a certain workplace. The employer brand is becoming more and more important for them, and consequently, their desire to be proud of working for that particular company. A pleasant atmosphere, and development and career opportunities are also important, as well as the fact that they should enjoy their job. If they are satisfied with these factors, there is a chance that they might spend longer time at a workplace. (Kissné, 2014)

The ranking of drivers influencing the selection of workplace, according to the surveyed generation Z

An employer must be familiar with the factors which play an important role in the selection of workplaces, when potential employees are making up their minds which job or work opportunity they should choose. It is not by chance that a number of practicing HR experts believe that today an HR expert has to be a good salesman as well: they have to sell the announced position, to make the work place appealing both for the people who work there and for those who they are seeking to hire. In order for an employer to be able to create such conditions at the workplace and to determine such an incentive package which is attractive for the candidates they are actually attempting to recruit, they must understand their expectations, values and the range of factors these people consider when selecting their workplace. According to HR experts, the high level of motivation of employees might take a company to the top, if those people feel appreciated and see that their personal opinions, ideas, performance and development actually contribute to the advancement of the company. If they can address the top leaders with their problems, because employees and the management speak the same language. If the company feels like their own, and they are proud to have a desk there (X), to work as one team (Y), and the company collects waste selectively and takes care of the environment (Z). The reason doesn't matter, they just want to be proud of the company . (Kissné, 2014) A research conducted in 1999 already revealed that employers have to face something new, an altered set of preferences when it comes to motivation at the workplace. According to the survey, employees can be best driven by (1) interesting work, (2) the recognition of the implemented work, and (3) the sense of being an insider. Only after that came (4) a secure workplace, and (5) a good salary. The opportunity for development was the 6th on the list, and it was followed on the 7th place by good working conditions. These results were surprising, since leaders expected the factors of good salary, a secure workplace, the opportunity for promotion/development and interesting work to be on the top of the list. (Kovach, 1999.) According to the Best Workplace 2012 research, respondents were seeking a (1) secure livelihood, (2) constant development and (3) diverse, interesting tasks at the ideal workplace, but almost every fourth respondent listed (4) professional challenge sand (5) the opportunity or flexible work to be one of the top three most important factors. About 70 percent of them desires to work at a place where (6) they are appreciated financially and morally as well, and also more than 30 percent listed amongst the priorities that (7) the company should be steady and reliable, where they can (8) work in a good team, in a pleasant atmosphere. Besides the

factors which are important for everyone – such as a secure livelihood – other attributes including social reputation, usefulness, helping others, cooperation with clients, controlling others and development also became important for employees, nevertheless, social responsibility, the protection of the environment and the mood present at the company is gaining more and more attention as well. (Kissné, 2010, Boyett-Boyett, 2010). According to the results of our quantitative research, when considering which job, workplace to choose, one of the major decisive factors is the opportunity for a promotion and professional development. It is esteemed even higher than a high salary for generation Z.

The ranking of factors which play a role in the selection of a workplace looks quite similar to the range of efficient motivational tools. It seems obvious that for this generation, offering a high salary and a good cafeteria, fringe benefits is not enough, as they are seeking for a company where they can realize their dreams, where they can fulfil a great and successful career path, and where they can work in a good team and atmosphere.

The understanding of these aspects is important, because it clearly demonstrates the conditions a workplace should offer, the fields it should improve in order to appeal to the young generation, and to be able to retain its workforce. Today it poses an ever increasing challenge for employers. Unlike earlier, when foreign ownership, the “multinational” characteristic of a company was attractive, today these do not matter at all for young people when selecting their workplace. It is also important to see that compared to predictable and fix working hours, the desire to fulfil a diverse scope of duties and to receive creative tasks seems even more significant. A modern working environment meaning that they should not have to travel for too long to their workplace, and flexible working hours are – similarly to the results of our qualitative research – significant aspects for this generation, even greater than the awareness and reputation of the company. It is good news for small and medium sized enterprises, who are able to offer more attractive opportunities in these fields, compared to the multinational corporations applying standard elements who are less flexible from a number of aspects.

Table 2. Ranking of factors influencing the selection of workplace

Factors influencing the selection of workplace	average
the financial background of the company and the stability of its position on the market	3,40
the reputation and general perception of the company	3,07
opportunities for promotion at the company	3,49
the life-work balance should remain intact	3,40
opportunity for working abroad	2,44
to have other allowances, benefits besides the salary	3,13
the company should have foreign ownership	1,83
predictable, fix working hours	2,99
opportunity for professional development	3,48
diverse scope of duties	3,24
creative tasks	3,17
career opportunity	3,44
company should employ many people	2,13
high salary	3,47
opportunity for continuing training and education	3,12
good team spirit	3,47
company should implement corporate social responsibility	2,90
company with a national reputation	2,31
low average age of employees	2,43
Hungarian ownership	1,99
multinational company	2,06
I should be employed by the company, and not through a work agency	3,25
flexible working hours	3,02
modern working environment	3,24
the distance of the workplace from my home	3,23

When we have asked respondents to select the top three factors which make a workplace appealing and ideal for them out of the followings, the most frequent mentions included (relative frequency, multiple answers were accepted) good salary, reliability and good career opportunity.

The reputation of the company, and the opinion of friends and relatives is also a factor.

Especially this latter could be quite important for employer branding, since it reveals the importance of what others say about a particular workplace, how employees feel about it. Furthermore, it is definitely true from the aspect of employer branding, that a credible communication and credible reputation is built from the inside. The opinion of employees will influence the judgement of potential employees, and the role of word-of-mouth and social channels are also just as significant when building the brand of an employer as in case of a consumer brand, since CGM generates the same effects here.

Which factors make a workplace attractive and ideal the most?
(Mentions, in %, relative frequency, multiple answers were accepted)

- If it has a good reputation: 32%
- If employees are paid well: 89%
- If it is recommended by my friends, relatives: 32%
- If the workplace is trustworthy: 80%
- If there are good career opportunities : 65%

4. Results, Conclusions and Recommendations

Today, when a workplace has a hard time offering a single, good solution for the various generations, it is extremely important to understand the differentiated needs of these generations. In our study we have focused on generation Z, and throughout our research, within the frame of a quantitative survey, we have attempted to find the answer to the question, what makes a workplace appealing for the Z's, and what are the most effective incentives at a workplace for them. A successful career path, a good working atmosphere and team spirit, and a good salary are the most important drivers during the selection of a workplace. In case of those who already work there, a high salary and promotional opportunities serve as the best incentive. A workplace is considered to be ideal if employees are paid well, and if the company has the reputation of a reliable employer.

The results of the research revealed that the major milestones of an employer branding strategy focusing on Generation Z are flexible HR, a diverse and interesting scope of duties and tasks, opportunities promising a higher status, greater financial benefits, and a responsible corporate behaviour. Considering the fact that the opinion of friends and relatives is an important attribute of an ideal workplace, it is also essential to focus on the internal target group of employer branding during the course of communication, since employees will become opinion leaders, ambassadors, those friends and relatives who actively shape the opinion of future, potential employees.

We believe that all of this requires a two-way, active communication from HR, and those who already work for the company must be reassured that they represent an active contribution to the reputation of the company. Results of the research also concluded that for generation Z, the nature of the corporate ownership (multinational, domestic) or the size of the company (a lot of or a few employees) do not matter, they are much more driven by a diverse scope of duties, team spirit and career opportunities. It creates a great opportunity for small and medium enterprises to become an attractive workplace for youngsters, since not only multinational companies, "the big ones" have the opportunity to design individual career paths, mentoring plans or the creation of a good team spirit. In many cases it might be implemented easier at a workplace with a lower number of staff.

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