

Employee Engagement: Generational Differences in the Workforce

Patricia A. Lapoint
Walter F. and Virginia Johnson School of Business,
McMurry University

Ann Liprie-Spence
Walter F. and Virginia Johnson School of Business,
McMurry University

One of the most important issues to emerge over the past 40 years has been the increasing diversity of the workforce. These differences can be attributed to age, gender, race, ethnicity, religion, socioeconomic background, education, experience, and other characteristics. Today, there are four different generations in the workforce—Baby Boomers, Generation X, Generation Y, and the Millennials. Generational differences contribute an additional complexity and challenge to management. One specific area of interest is the influence of one’s generation to the engagement of the employee. This study examines the differences in employee engagement across the three generations currently in the labor force—Baby Boomers, Generation X, and Millennials. Data were collected from published articles and a survey. The survey instrument was distributed through a centralized national company of smaller owned companies. A sample was drawn from a list of these companies. Statistical methods were applied to the results.

INTRODUCTION

Employee engagement is a relevant and an important topic in today’s workforce, perhaps more so than ever before. Employee engagement is “personified by the passion and energy employees have to give their best to the organization to serve the customer, (Cook, 2008).” Engaged workers increase an organization’s value, which in return assists the company in operating more effectively and efficiently, essential characteristics of a successful twenty-first century firm.

When considering employee engagement, one may examine how employees think and feel about the organization they are working for, as well as how proactive they are in achieving the organization’s goals. These aspects are linked to their commitment, which is a characteristic directly related to the term “employee engagement.” According to the eleventh edition of the Concise Oxford English Dictionary, the word “commit” is defined as “a pledge or bind to a course, policy, or use.” The dictionary also uses the phrase, “[dedicated] to a cause,” when defining ‘commitment’”. Thus defined, employee engagement is an intangible asset. While it is not a physical advantage, it is something quite valuable that an employee can offer to the organization.

Employee engagement can either benefit or harm organizations. High employee engagement results in more enthusiastic, satisfied, and committed employees. These types of employees are generally more productive and provide better customer service. Employee retention is also higher. All of these factors can lead to a satisfied customer. Satisfied customers become loyal customers, which can result in increased sales and profits. However, if an organization has unengaged employees, opposite results are likely to occur. A higher employee turnover rate, as well as declines in customer service and productivity often results in an overall lower customer experience, and consequently decreased sales, and profits (Birkman, 2013)

Engaged employees are essential for a successful business. The workplace is an immensely diverse environment. Diversity is a broad term encompassing not only employees of different ethnicities, cultural backgrounds, but also of different genders and ages. This issue of diversity raises some questions about how an individual's age influences him or her in the workforce. Do employee's generational categories influence their engagement in their occupation? More specifically, does research indicate that employee engagement differs generationally between Baby Boomers, Generation X, Generation Y, and the Millennials? Today, there are four distinct generations in the workforce.

PURPOSE

The purpose of this research study is to examine if there is a relationship between employee engagement and age, age represented as a generation. If indeed there is a connection between age generations and engagement, organizations can then acknowledge this connection and act upon it. Recognizing that there may be differences in engagement based on an employee's age will allow some businesses to create a competitive advantage over others. If this research study shows that employee engagement is dependent on an individual's age, companies can use the results of this study to improve the way that management interacts with their employees, potentially leading to a more efficiently and effectively operated business. The Society of Human Resource Management (SHRM) conducted an employee satisfaction and engagement research study, where they administered a questionnaire to their members' organizations. This research study attempted to duplicate a previously administered employee engagement survey, with hopes of arriving at the same conclusions.

LITERATURE REVIEW

Literature related to generational gaps in the workforce and employee engagement derives from several sources (Steele, et.al., 2013; Ha, 2006; Meriac, et.al., 2012; Fox, 2011; Sirota, 2008; Gillette, 2013). The International Journal of Human Resource Management, defines the term "generation," as "a cohort of persons passing through time that come to share a common habitus and culture, a function of which is to provide them with a collective memory that serves to integrate the cohort over a finite period of time" (Benson, et.al., 2011, 2013). Benson and Brown continue to state, "in a work setting, many of the workers' values and attitudes towards work may be quite distinct from earlier generations of workers and, as a consequence, managers may need to take these generational differences into consideration if they are to effectively manage their workforce" (Benson et.al., 2011.2013).

Employee engagement is personified by how positively an employee thinks about the organization, feels about the organization, and how proactive that employee is when it pertains to achieving organizational goals (Cook 2008). Feeling, thinking, and doing are the three aspects of employee engagement (Cook, 2008). Engaged employees are critical and vital to a company's success; hence, employees directly influence productivity and assist in establishing or diminishing a firm's competitive advantage. "From the employer perspective, engaged employees tend to be more productive and the company more profitable, creating stronger customer relationships and higher employee retention than less-engaged employees" (Pitt-Catsoupes, et.al., 2013). Therefore, identifying the key drivers of engagement becomes an imperative. Questions such as, "what is motivating employees to work harder? Who are motivating them to work harder? And what conditions are motivating them to work harder?" can

assist management in determining the drivers of employee engagement. A company can periodically administer employee surveys and conduct focus groups as other effective strategies in order to determine key drivers (Cooke, 2008). By asking these types of questions, management may discover better operating methods. Employee engagement is an essential ingredient for success; for that reason, it is crucial that management copiously understand it (Williams, 2013).

In this research study, focus is specifically placed on engaged employees falling into one of three generational categories: Baby Boomers, Generation X, and the Millennial generation. Of these three categories, Baby Boomers represent the largest population, accounting for approximately 40 percent of the workforce population (Ha, 2006). Individuals who are Baby Boomers were born during the period of time immediately after the Second World War until the mid-1960s. Generation X has the smallest population of these three groups, accounting for 16 percent of the workforce (Ha, 2006). These individuals are between the ages of 33 and 45 years old. Finally, the Millennials represents 25 percent of the population (Ha, 2006). These individuals fall between the ages of 18 and 32 years of age.

Research indicated that life experiences shape an individual's outlook on life. According to Birkman "people of different age groups have different life experiences, and understanding those differences can offer an important perspective about why they act and react the way they do" (Birkman, 2013). The Baby Boomers are not just the largest population in the workforce, but they are correspondingly the largest generation in the United States (Birkman, 2013). The Civil Rights Movement, the Vietnam War, and the first moon landing are significant life-changing events that took place while the Baby Boomers were growing up. Baby Boomers grew up in a profuse and a healthy post-war economy when traditional families were normal (Tanner, 2013). This generation is a self-centered group. People of this era believe that work not only defines their self-worth, but it is also how the Baby Boomers evaluate other. Baby Boomers have the mindset that they live to work.

Unlike the Baby Boomers who have a "live to work" mentality, Generation X individuals believe that they work to live. This attitude can be attributed to the lack of time spent with their parents while growing up. This generation cared for themselves and their siblings while their parents went off to work; consequently, Generation X learned to be independent at young ages.

Compared to Generation X, the individuals in the Millennial generation tend to be more dependent on others than previous generations. The Millennial individuals' mindsets are molded by philosophies like, "no child left behind" and "a village raising a child" (Tanner, 2013). Technology advancements such as, cell phones and smart phones, laptop computers, and cable television are not foreign concepts to Millennials; Millennials are very comfortable with technological changes. Millennials embrace social media quite readily and use the mobility of the technology to their advantage. Differences exist between the generations; yet the general principles, standards, and behaviors are similar to one another. The difference among the three generations' principles, standards, and behaviors is the priority they give to each (Birkman, 2013).

An article published by *Birkman International*, an industry-leading personality assessment provider, shows a chart characterizing each of the generation's typical behaviors, strengths, and struggles in the workplace. The article, "How do Generational Differences Impact Organizations and Teams," states that Baby Boomers are typically more optimistic, competitive, and focused on personal achievement. Baby Boomers do not mind working longer hours because they tend to be ambitious. Team perspectives, dedication, experience, and knowledge are some of the Baby Boomers' workplace strengths. Baby Boomers tend to struggle with technology replacing human interactions, balancing work and family, and conflicts, as well as sharing praises and awards (Birkman, 2013).

Individuals born into the Generation X era are typically risk-takers who seek more of a work-life balance; they are skeptical and committed to their work and co-workers. Generation X individuals tend to be independent, adaptable, creative, techno-literate, and willing to challenge the status quo. These individuals struggle with career development, multi-generational team projects, and trusting authority (Birkman, 2013).

Individuals in the Millennial generation are typically team-oriented and optimistic. Millennials are able to multi-task and tend to be technologically informed. This generation is characterized as tenacious

and driven to learn and grow. Individuals born in this era typically have problems with respectful communication and possessing adequate literacy skills to navigate daily living and employment tasks, and they expect things to take place immediately, which creates another workplace struggle for this generation (Birkman, 2013).

Although each generation is different, several research studies conclude that age does not affect a person's ability to engage with his or her work. In a previous research study conducted by Sirota, the author concluded that employee engagement relates to how long an individual is active at a company. Sirota concluded that measurable declines in employees' perceptions correlate with the amount of years he or she has been employed at an organization, regardless of age (Sirota). Aparna Nancherla authored a publication discussing the topic of employee engagement, stating that employee engagement varies based on the amount of tenure the employee [has] with the company. The article continues to report that employees with tenure for less than a year have an 83% employee engagement rate. Individuals with 1-2 years of tenure have an employee engagement rate of 79%, while respondents with 2-5 years of tenure have a 75% employee engagement. Employees who have worked for a company for 6-10 years have an employee engagement rate of 76%. Respondents with more than 10 years of experience at a firm have a 79% employee engagement rate (Nancheria, 2013).

Recession and economic uncertainty led the professional organization, Society of Human Resource Society (SHRM), to conduct research related to employee engagement. SHRM states that employee engagement is essential to retaining employees, as well as sustaining a competitive advantage. In order for SHRM to support their claims, SHRM conducted a research study where an outside consulting group developed a survey instrument to administer. SHRM randomly surveyed 600 individuals with the help of the internet, which yielded an 83% response rate. The survey was available to respondents for a period of seven days. All of the respondents were employed either as full or part-time employees (SHRM).

In the primary research conducted for this study, SHRM's survey instrument was administered to employees in private-sector companies. The goal of this research study is to replicate a part of the SHRM study, specifically the section on Employee Engagement using a different sample, in order to show if there is an existing relationship between generational age and employee engagement.

METHODOLOGY

Survey Instrument

A survey was administered to a selected population associated with a national company who represents a centralized purchasing group. To assure the validity of the questionnaire administered, the framework from a preceding survey conducted by the Society for Human Resource Management (SHRM) was utilized. SHRM is the world's largest professional association devoted to human resource management (SHRM). Their mission is to build and sustain partnerships and provide a community that allows the human resource world to share expertise and create innovative solutions for people management issues (SHRM). They also proactively provide thought, leadership, education, and research, and serve as an advocate to ensure that policy makers, lawmakers, and regulators are aware of key people concerns facing organizations and the human resource profession (SHRM).

The questionnaire has nineteen questions, and is divided into two parts. The first four questions ask the respondent about their personal information—age, gender, years of employment, and the types of jobs that the employees hold. The remaining fifteen questions are derived from the survey administered by SHRM. These fifteen questions ask the respondents for their personal and occupational perceptions and opinions. The scale measurement is a 5-point Likert-type scale with choices ranging from Strongly Agree to Strongly Disagree. The questionnaire's design allows individuals participating in the research study to select one out of several answer choices.

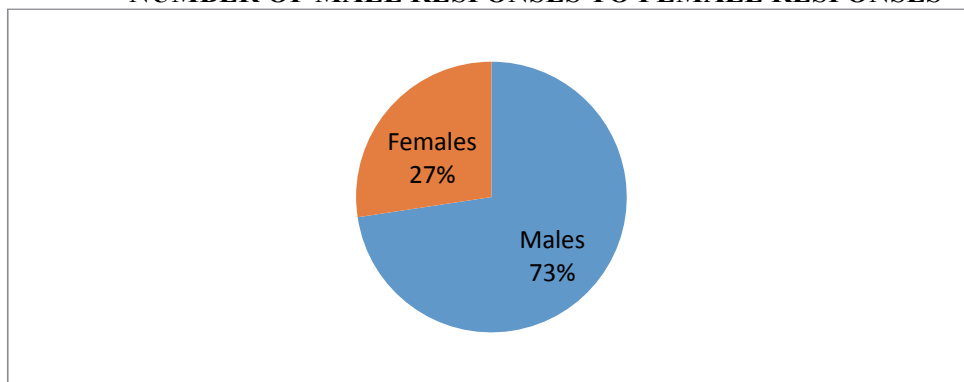
Sample

The research study's sample is a convenience sample of smaller companies who are at least 51% equity owned by the national company headquartered in Ohio, a leading supplier of domestic and industrial supplies and materials.

Convenience sampling has the advantage of being able to obtain sample selections and data collection with relative ease; however, it is impossible to evaluate the value of the sample in terms of its representativeness of the population. Although this type of sampling technique may provide good results, management should be cautious with interpreting the data collected.

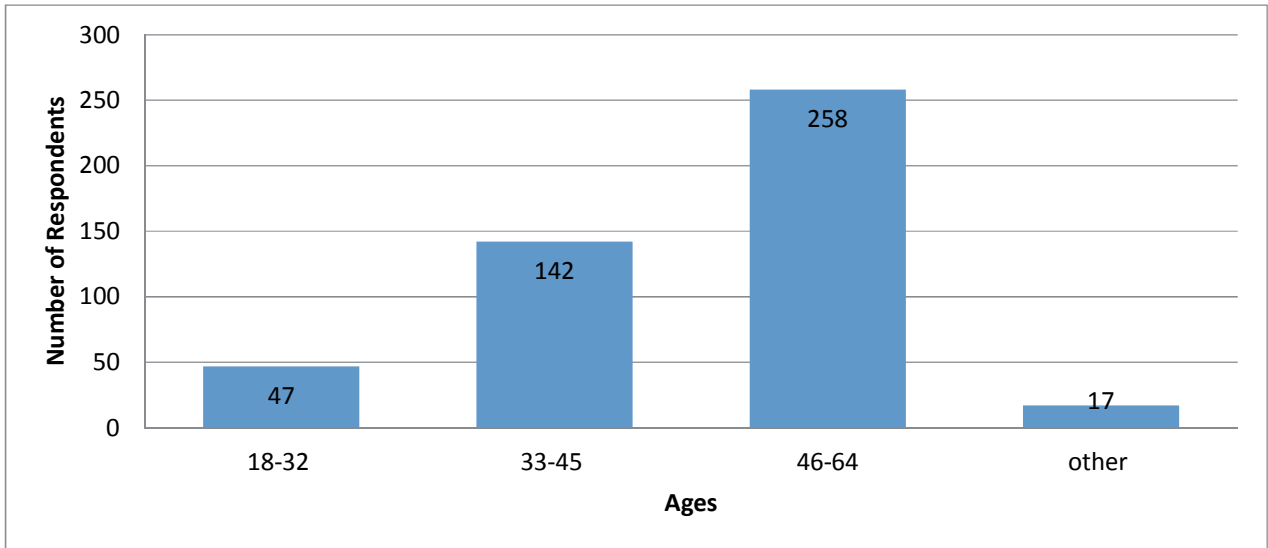
The questionnaire was distributed to all 159 companies owned by the national company; however, only 120 of these companies were accounted for in the sample, yielding a 75.47% response rate. As Figure 1 shows, there were more males who responded to the questionnaire than females. Males accounted for 72.6% of the respondents, while females accounted for 27.4% of the respondents.

FIGURE 1
NUMBER OF MALE RESPONSES TO FEMALE RESPONSES



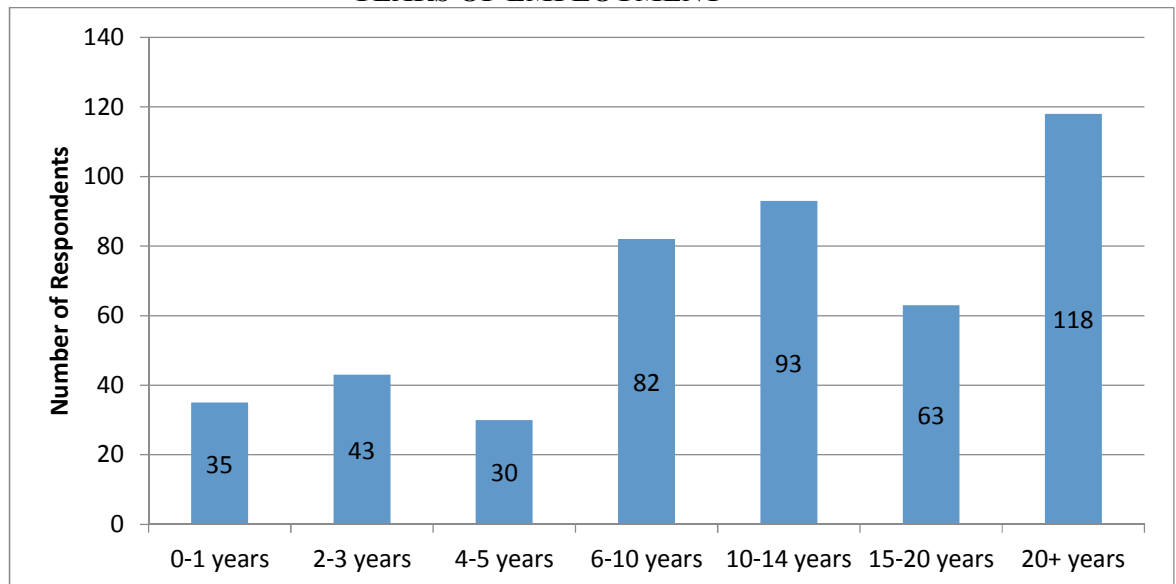
Respondents between the ages of 18-32 accounted for 10.1% of questionnaire's responses; 30.6% of respondents were between the ages of 33-45, and 55.6% of them were between 46-64 years old. The remaining 3.7% of the respondents were 65 years of age and older (Figure 2).

**FIGURE 2
RESPONDENTS AGE BREAKDOWN**



Seven and one half percent of the respondents had one year or less of experiences at their current organization, 9.3% had 2-3 years, and 6.5% had 4-5 years. Of the individuals who participated in the survey, 17.7% had 6-10 years of employment at their company, while 20% had 10-14 years. Of the respondents, 13.6% had 15-20 years of experience at their current organization, and 25.4% had more than 20 years of experience (Figure 3).

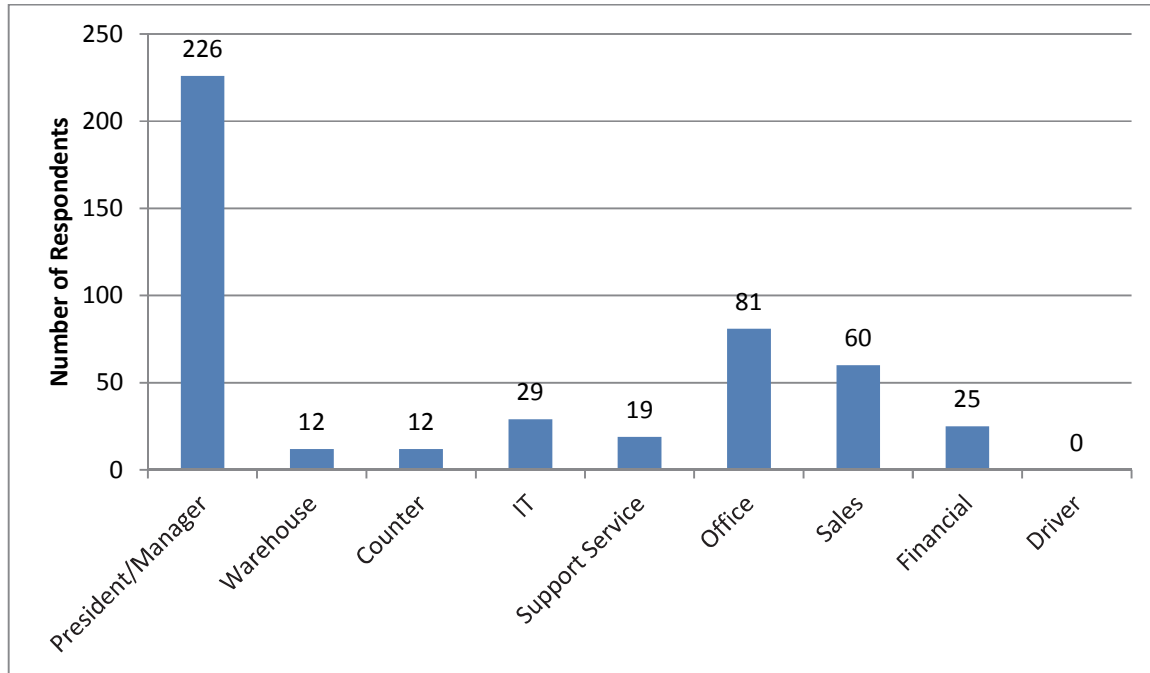
**FIGURE 3
YEARS OF EMPLOYMENT**



The majority of the respondents held a president/manager position at their company. These individuals made up 48.7% of the respondents. Individuals who worked in a warehouse or counter position made up 5.2%, and 6.3% of participants worked for IT. The support service's jobs accounted for

4.1% of the respondents, while the office industry positions accounted for 17.5%. The sales jobs had 12.9% respondents, and the financial jobs had 5.4% of the respondents Figure 4).

FIGURE 4
INDUSTRY SECTOR BY EMPLOYEE



Data Collection

Respondents accessed the questionnaire online through the SurveyMonkey.com website. In order to inform individuals about the questionnaire, a mass email was sent out to all company employees, notifying them about the research study, and requesting their participation.

The survey was available for employees for approximately 7-10 days. During this time period, 464 employees participated in this survey. Access to the survey through Survey Monkey ceased after the time period expired.

Method of Analysis

Descriptive statistics were used to analyze the results with respect to each of the nineteen questions on the survey. Survey Monkey has a feature that allows each question's responses to cross tabulate with the respondent's age. Cross-tabulating questions 5-19 with the respondent's age, we analyzed the generational differences related to employee engagement. The statistical technique used to analyze the data in this research study was the chi-square test of independence.

Findings and Results

The chi-square distribution uses sample data to test the independence of two variables. This test of independence addresses the question of whether the responses in the employee engagement questionnaire are independent of age or not independent of age. The questionnaire responses were placed into one of two charts depending on the calculated p-values yielded by each response. If a response's p-value is greater than the alpha value of .05, we fail to reject the null hypothesis. However, if the p-value is less than the alpha value of .05, we can reject the null statement and accept the alternative hypothesis. The hypothesis statements for this test of independence are:

Hypothesis Statements

Ho: Response is independent of age

Ha: Response is not independent of age

Responses in which we failed to reject the null hypothesis will be discussed first, followed by the responses that were found to be dependent on age. With p-values greater than .05, ten out of fifteen questions failed to reject the null.

Questions Where Failed to Reject the Null

1. Being determined to accomplish work goals with confidence in meeting them
2. Having passion and excitement about work
3. Being almost always completely focused on work projects
4. Having employees in an organization that are encouraged to take action when they see a problem/opportunity
5. Having employees in an organization deal well with unpredictable or changing work situation
6. Being satisfied in the work itself
7. Being satisfied in relationships with co-workers
8. Being satisfied with the relationship of immediate supervisor
9. Being satisfied with management's recognition of employee job performance
10. Being satisfied with career development opportunities

Question one: "Being determined to accomplish work goals with confidence" has a p-value slightly above .05. Only 3.4% of the respondents surveyed disagreed with question one, with the majority being between the ages of 33-64. In contrast, 68.1% of the respondents who strongly agreed with question number one are between the ages of 46-64.

Question two: "Having passion and excitement about work" has a p-value of .8686. The question has a 0.2% response rate for the answer choice "strongly disagree," and a 39.2% "strongly agree" response rate. The highest percentage of the respondents chose to select the "agree" answer choice, accounting for 47.8% of the responses. Most of these respondents who selected the "agree" answer choice are between the ages of 46-64 years old.

Question three: "Being almost always completely focused on work projects" has a p-value .6769. Most of the respondents perceived themselves as being focused at work.

Question four: "Having employees in an organization that are encouraged to take action when they see a problem/opportunity" has a p-value of .3893. The most preferred answer choice for question four is "agree," accounting for 212 responses or 45.7%. The second most chosen answer selection is "strongly agree," accounting for 191 responses or 41.2%.

Question five: "Having employees in an organization deal well with unpredictable or changing work situation" has a p-value of .1545. Of the responses, 14.2% of the respondents strongly agreed with this question. Most of the respondents just agreed with question five, which accounted for 50.2% of the responses. Only 21.8% of the responses have neutral perceptions about question five while 12.1% of respondents disagreed, and 1.7% strongly disagreed.

Question six: "Being satisfied with work" has a p-value of .0536. The majority of the respondents state that they are "very satisfied" with their work. The "very satisfied" response selection has 229 out of the possible 464 responses, or 49.4% of the survey responses.

Question seven: "Being satisfied in relationships with co-workers" has a p-value of .6377. Most of the respondents who were very satisfied with question six are between the ages of 46-64. The 46-64 age category accounted for 117 of the questionnaire's responses. Respondents between the ages of 33-45 have the second highest number of responses for the answer choice, "very satisfied," accounting for 63 responses, while the 18-32 age respondents have 28 responses, and the final nine responses are derived from the respondents who were 65 years of age or older.

Question eight: "Being satisfied with the relationship of immediate supervisor" has a p-value of .6147. The respondents between the ages of 46-64 years old accounted for 141 of question seven's

responses for the answer choice, “very satisfied.” The respondents between the ages of 33-45 account for 84 of this question’s responses, and the 18-32 year olds account for 29 of the responses. The remaining 14 responses belong to respondents who are 65 years of age or older.

Question nine: “Being satisfied with management’s recognition of employee job performance” has a p-value of .6264. The answer choice “very satisfied,” had the most of the responses, totaling 32.8% of the responses. The answer choice, “somewhat satisfied,” account for 31.7% of the responses. Both of the answer choices, “very satisfied” and “somewhat satisfied,” show the 46-64 age respondents accounting for most of the responses.

Question ten: “Being satisfied with career developments” has a p-value of .9009. Only 4.6% of the respondents perceive career developments to be unsatisfactory. The answer choice, “very dissatisfied,” accounts for the smallest amount of the question’s responses. The answer choice, “very satisfied,” however, accounts for most of the question’s responses, 44% of all of the total responses.

Five out of fifteen questions have p-values less than the alpha of .05. Each of the responses were found to be dependent on age.

Questions Found to be Dependent on Age

1. Frequently putting all effort into work
2. Feeling so wrapped up in work that hours go by like minutes
3. Having colleagues that quickly adapt to challenging or crisis situations
4. Having people that are always flexible in expanding the scope of their age in a work group
5. Being satisfied in the variety of the work

Question one: “Frequently putting all effort into work” has a p-value of .0007. Of the respondents who participated in the questionnaire, 89.98% of them perceived that they either agreed or strongly agreed with question one. Only 10 respondents strongly disagreed, while 37 individuals did not hold an opinion.

Question two: “Feeling so wrapped up in work that hours go by like minutes” has p-value of .0004. A total of 390 respondents, or 84.05% of the individuals who participated in the questionnaire, believe that hours go by like minutes at work. Question two results show 211 of the respondents, ranging from 46-64 years of age, either agree or strongly agree with this question. The 33-45 age respondents, accounted for 125 of the question’s responses for the answer choices, “agree” or “strongly agree”. The 18-32 age respondents have 39 responses of agreement.

Question three: “Having colleagues that quickly adapt to challenging or crisis situations” has a p-value of .0004. Overall, 61.85% of the total sample agreed or strongly agreed with question three. When this question is further analyzed by the respondents’ ages, 149 of the respondents between the ages of 46-64 agreed or strongly agreed with this question, while 96 of them between the ages of 33-45 agreed or strongly agreed, and 30 of the respondents between the ages of 18-32 agreed or strongly agreed.

Question four: “Having people that are always flexible in expanding the scope of their age in a work group” has a p-value of .0285. Most respondents choose the answer choice “agree,” accounting for 45.78% of total responses. Accounting for 26.08% of the total responses for question four is the answer choice “neutral.”

Question five: “Being satisfied in the variety of the work” has a p-value of .0139. Overall, 88.7% the employees “strongly agree” or “agree” with question five. Only 3% of the respondents “strongly disagree” or “disagree” and 8.2% are neutral.”

CONCLUSION

SHRM's research study concluded that many internal and external factors, which are dynamic in nature, influence employee engagement (SHRM). Some of these factors include elements such as "restructuring, demographic makeup of the organization, change in management, economic change, political change, global change, and many others" (SHRM). The SHRM study also stated, "employees are moderately engaged" (SHRM).

Our research study concluded that age plays a role in certain aspects of employee engagement, which is a statement that SHRM would find true as well. Unlike SHRM who found employees to be moderately engaged. Our research study found employees to be strongly engaged, based on the questions that were dependent on age.

LIMITATIONS OF THE RESEARCH

This research study faces certain limitations. One limitation of the research study is that the instrument used in this research study was taken from a larger instrument used by SHRM. Because of this limitation, the extracted questions on employee engagement from SHRM may invalidate the survey instrument used for this research study. Another limitation of the research study is that the sample was not chosen randomly. A convenience sample was taken because of easy access to the population. This type of sampling is considered to be a limitation because the sample may not represent the population accurately. After analyzing the results, the majority of the respondents were Baby Boomers and held top management positions, leading to the possibility of skewed conclusions. SHRM's study had a more evenly dispersed demographic breakdown of their respondents, leading to fewer chances of skewed findings.

FUTURE RESEARCH

In order to further develop and advance this research study, the limitations should be eliminated. Instead of taking a convenience sample, a random sample should be taken in order to better represent the population. To achieve a more balanced representation of the three primary age categories a stratified random sample design would be appropriate. In addition, within each stratified age category, attempts should be made to balance job positions.

REFERENCES

- Benson, John, and Brown Michelle (2011). Generations at work: are there differences and do they matter. *International Journal of Human Resource Management*. 22.9, 1843-1865. Web. 9 Sept.
- Birkman (2013). How Do Generational Differences Impact Organizations and Teams? *Birkman International, Business Source Complete*. n. page. Print. <www.birkman.com>.
- Birkman (2013). Manager Actions Drive Staff Engagement. *E Learning Age 2, Business Source Complete*. Web. 12 Sept.
- Cook, Sarah (2008). *The Essential Guide to Employee Engagement: Better Business Performance Through Staff Satisfaction*. London: Kogan Page. eBook Collection (EBSCOhost). Web. 9 Sept.
- Fox, Adrienne (2011). Mixing It Up. *HR Magazine*. May 22-27. Print.
- Gillett, Jan (2013). Continual Improvement. *Chartered Quality Institute*, Web. 1 Oct. <<http://www.thecqi.org/Knowledge-Hub/Knowledge-portal/Concepts-of-quality/Continual-improvement/>>.
- Ha, John ((2006). Figuring our Boomers, Gens X and Y. n. page. Web. 23 Jan. <<http://www.reliableplant.com/Article/Print/2431>>.
- Meriac, John, David Woehr, and Christina Banister (2012). Generational Differences in Work Ethic: An Examination of Measurement Equivalence Across Three Cohorts. *Journal of Business & Psychology* 25.2 (2010): 315-324. Business Source Complete. Web. 30 Aug.
- Nancherla, Aparna (2013). Just A Number After All. *Training and Development* 62.6, 22. *Business Source Complete*. Web. 12 Sept.
- Pitt-Catsoupes, Marcie, and Christina Matz-Costa (2013). The Multi-Generational Workforce: Workplace Flexibility and Engagement. *Community, Work & Family* 11.2, 215-229. *Business Source Complete*. Web. 12 Sept.
- Sirota (2008). Employee Engagement Differences Across Generations Are Relatively Small. *Purchase, NY*, 31 March, n. page. Web.
- Steele, Margaret, and Virginia Gordon (2013). Advising in a Multigenerational Workplace. *Clearinghouse: Academic Advising Resources*, Web. 14 Oct. <<http://www.nacada.ksu.edu/Resources/Clearinghouse/View-Articles/Generational-issues-in-the-workplace.asp&xgt>>.
- Tanner, Robert. (2013) Fascinating Numbers: 15 Influential Events that Shaped Baby Boomers". *Business Consulting Solutions LLC*. Web. 9 Aug. <<http://managementisajourney.com/fascinating-numbers-15-influential-events-that-shaped-baby-boomers/>>.
- Williams, Peter (2013). Total Engagement. *E Learning Age* Nov. *Business Source Complete*. Web. 12 Sept.