



## Employee Engagement Factor Studies: X and Y Generation

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### ABSTRACT

Job satisfaction is important to retain employees and reduce turn-over, but it is not considered sufficient to maintain high productivity and increase organizational efficiency (Resource, 2020). Employee engagement is the condition for maintaining employee productivity and performance high. Therefore, there is a need to study the factors that influence "employee engagement". It is a concept that describes the level of enthusiasm and dedication a worker feels toward his/her job. Work engaged employees care about their work and about the performance of the company and feel that their efforts make a difference (Investopedia). The factors that affect employee engagement will depend on employees need and expectation. Expectation and need are dependent on people's values and needs. People who share similar viewpoints and values typical in same generation (Wengrzyn). Therefore, it is important to study employee engagement by generations to effectively manage and meet employees' expectations. This study is aiming to study employee engagement factors of Mongolian X and Y generations.

Keywords: Employee engagement, X generation, Y generation

### 1. Introduction

The concept of employee engagement is relatively new, books and research have been conducted on it mostly over the past two decades (Ellis C. M., 2007). A study by the world's largest human resources organization, which has 275,000 members in more than 160 countries, found that a total of 37 factors affect employee engagement, to a greater or lesser extent. The three most important factors are co-workers relationship, the ability to use skills, and the meaningful work (Resource, 2020). In addition to creating job satisfaction, employee engagement also has a positive effect on business operations. According to a study and report by the ADP Institute key factors include job security, ability to use skills, financial stability of the organization, relationship with supervisor, salaries, supplies, relationship with senior management, work performed, independence, and recognition of work performed (Institute, 2015). Studies have shown that the factors that affect employee engagement affect productivity, profitability, and even customer satisfaction (Beverly Little, 2006).

Many studies show that the same generation tends to share similar values. Based on those values expectations and needs will formulate. Therefore, in this study, we will study the needs of different generations to understand the importance of different types of employee engagement factors for them. In 2020, there were 1,1 million registered employees in Mongolia. 83,7% of them were employees aged between 25-54, X and Y generation. Therefore, it is crucial to identify their view towards employee engagement. Object of this study is Mongolian X and Y generation employees.

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## 2. Data Collection and Analysis

The study is conducted using Google Forms web-based platform due to the Covid-19 pandemic. There were 389 correspondents (95% confidence level, 5% deviation). Out of 389 correspondents 4.1% were Z generation, 57.1% Y generation, 36% X generation, and 2.8% of Baby Boomers. 68.1% of the total surveyed employees lived and worked in Ulaanbaatar, 27.5% in aimags and rural areas, and 4.4% abroad.

Based on previously available research on employee engagement, questionnaire with 9 questions regarding employee engagement was designed. First, quantitative analysis was performed using SPSS statistical software. It focuses on analyzing key values such as arithmetic averages, standard deviations, and reliability coefficients. These include the Cronbach Alpha and KMP Bartlett's tests.

To check the reliability of a survey questionnaire commonly used in social research, the Cronbach Alpha coefficient takes a value between  $0 < \alpha < 1$  and is considered significant if  $\alpha > 0.6$ . For this study, it was concluded that the questionnaire of the main factors  $\alpha > 0.677$  and above, meaning statistically reliable. KMO and Bartlett's test, where the criterion was chosen to be  $0.6 < p$ . The test resulted in  $p = .943$ , statistically reliable.

After that assessment of the level of importance of factors influencing employee engagement depending on the "generation" was conducted using the methodology of comparing and contrasting, using questionnaire data as well as previously studied theories and research results.

Qualitative analysis is based on evidence and is used to explain any complex phenomenon studied in the research and to find answers to study questions (Qualitative Research Methods: A Data Collector's Field Guide). This is a commonly used and effective method of analysis in social research (Oxford University Press, 2020).

## 3. Research Findings

The table below lists the factors that affect employee engagement as the most important ones for the X and Y generations. According to the importance list, the top 3 factors influencing the employee engagement of Generation X are the relationship with co-workers, salary, and the relationship with supervisor. The list of the top three factors of the Y generation is relationship with supervisor, relationship with co-workers, and the salary. Percentage of importance is the percentage of correspondents of each generation answered as "very important" by Likert scale 1-4.

**Table 1–Rank of Employee Engagement Factor importance of X and Y generations**

Rank	Generation X	% of importance	Generation Y	% of importance
1	Relationship with co-workers	87.76%	Relationship with supervisor	89.19%
2	Salary, income	82.86%	Relationship with co-workers	86.94%
3	Relationship with supervisor	81.43%	Salary, income	79.28%
4	Job security	77.86%	Job security	76.13%
5	Safety	68.57%	Safety	64.86%
6	Work environment	65.00%	Work environment	63.03%
7	Benefit	62.86%	Benefit	62.16%
8	Company reputation	49.29%	Company reputation	43.24%
9	Location	25.71%	Location	28.38%

The most important factor for Generation X is relationship with co-workers. This means relationship plays more important role than promotion or income, when it comes to employee engagement. It is important for this generation, because Y generation employees are result oriented and they like to feel that work is complete (Tolbize, Generational differences in the workplace, 2008). It is difficult to get job done individually, and it is common to depend on teamwork, so the relationships and performance of co-workers are important to achieve desired result. Also, since the core values of Generation X are fun and informal communication, it is believed that the relationship and communication of the people who work with them also affect employee engagement.

For Y generation, the expectation of a relationship with supervisor are different from older generation. For example, Y generation employees loves a challenging, diverse, and changing jobs (Gerry Treuren, 2010). And this generation wants the leadership to take care of their well-being (Dogan Gursoy, 2008). It is also important to have the freedom and space to choose one's way of doing things. The characteristics and work values include relationship with managers, which are expected to be continuous and from both employees and managers. Therefore, it is important for managers to give constant constructive feedback, hear their feedback and acknowledge it. Also, give them the freedom to choose how to work by leaving a personal space.

#### 4. Unexpected Finding

The unexpected finding of the study was regards to workplace conflict. As shown in the below figure, the X and Y generations are more in conflict with other generations. For example, 40% of the X generation is in conflict with the X generation, and 60% are in conflict with other generations. For the Y generation, 16.2% said they were in conflict with their own generation, and 83.7% said they were in conflict with the other generations.

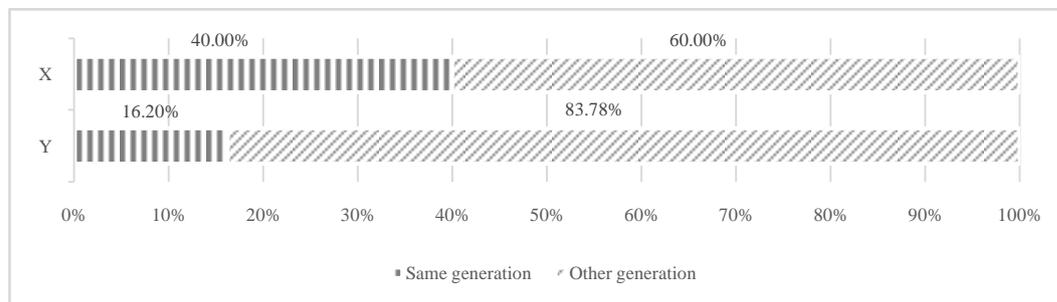


Fig. 1 - Work place conflict by generations

This suggests that it is important to focus on relationship with other generations. It can be explained by different values and needs of employees, which is common in same generation, but differ when it comes to older or younger generations.

#### 5. Conclusion

Employee engagement is a concept that has a major effect on increasing organizational growth, overall productivity, and efficiency. Quantitative analysis has shown that the assessment of the factors that contribute to this condition varies from generation to generation.

Qualitative analysis has shown that the order of importance of the factors is similar in order of importance for the generations. Although the sequence of factors may be the same for generations, it is important to keep in mind that expectations vary depending on the social and economic circumstances in which the generations grew up. In other words, there is a need for the management approach to be differentiated to suit the specifics of each generation. This difference has also led to the fact that generations are more at conflict with other generations.

Therefore, it is important for managers and organizations to study, identify and understand the differences between generations, to create job satisfaction, employee engagement, and to reduce conflicts, which can boost growth and efficiency of the organization.

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