

# **Employee Engagement and Generation Z**

## **I. Introduction**

Generation Z is the youngest generation entering the workplace, and they are considered the first generation of true digital natives. Previous research on employee engagement has identified several key driving factors of employee engagement (reward system, job characteristics, transformational leadership, opportunities for advancement and self-development, work flexibility, and pay satisfaction). However, these findings have used older generations samples, and there is an existing gap in employee engagement regarding Generation Z. This study aims to investigate if members of Generation Z present the same drivers of employee engagement as older generations by asking Gen Zers of 18-24 years who have finished college and are working full-time to complete a survey about driving factors of employee engagement. Based on previous research and their findings, I hypothesize that perceived supervisor support, opportunities for advancement and self-development, work flexibility, and job security will be positively related to employee engagement in Generation Z. Additionally, I expect that even though past research has shown mixed results regarding pay satisfaction and employee engagement, a Gen Z sample will show a strong correlation between these variables.

## **II. Literature Review**

Employee engagement is a key driver of organizational success and competitiveness (Rashid, 2016). Past research has demonstrated that employee engagement can have significant consequences for individuals and organizations. It is a vital factor for organizational success because it improves profitability, productivity, and employee performance (Barik & Kochar, 2017; Breevaart et al., 2014). It can also prevent employees' negative behaviors that can be harmful to the organization (Bagyo, 2016). Engaged employees are more satisfied with their lives, take fewer sick days than disengaged employees, and use less health care (Pitt-Catsouphes & Matz-Costa, 2008). Having engaged employees can bring a significant competitive advantage to an organization because employee engagement has been described as vigorous dedication, attention, and absorption on one's job and a deep commitment, drive, pride, and honor to an organization and role that is expressed physically, cognitively, and emotionally by contributing to the organizations' success. (Gitanjali et al., 2010; Ozcelik, 2015; Pitt-Catsouphes & Matz-Costa, 2008; Salleh & Mumtaz, 2015).

Engaged employees are highly motivated to perform and make a sincere extra effort beyond the given work tasks. Unfortunately, the US is facing an important engagement problem nationwide. Based on a Gallup study in the US, 30% of employees reported being engaged in their job, while 50% were not engaged, and 20% reported being actively disengaged (Dessler, 2020). Most of the workforce in the US is not engaged with their jobs, and this brings negative consequences to companies. A study on engagement of 50,000 employees around the world indicated that employees with lower engagement were four times more likely to leave the company where they were employed (Anita, 2015).

Extensive research on the topic has identified key driving factors of employee engagement. Relevant findings conclude that some of the main elements that bring employee engagement are an effective reward system, job characteristics, transformational leadership, opportunities for advancement and self-development, and work flexibility. (Barik & Kochar, 2017; Pitt-Catsouphes & Matz-Costa, 2008; Salleh & Mumtaz, 2015).

Members of Generation Z, consisting of people born between 1997 and 2012 (Dimock, 2019), include about 61 million potential workers (Baum, 2020) and this generation is starting to change the workplace. There are currently four different generations working together, Baby Boomers, Gen Xers, Millennials, and Gen Zers. This great diversity brings great advantages to organizations such as convergent thinking, innovation, transformation, and organizational change. These elements can give companies a competitive advantage and help organizations to succeed. At the same time, it brings important challenges because there are significant generational differences regarding what each generation values most in the workplace

(Mahmoud et al., 2020). According to Rather (2018), there is a significant generation gap in the workplace and different generations are motivated by distinct motivational drives.

Gen Zers are unique. They are considered the first true digital natives. They are characterized by always being digitally connected with technology which is an essential part of their lives (Mahmoud et al., 2020). Unlike previous generations, Gen Z never experienced life without technology. This could influence the type of work environment they prefer, and influence the importance they give to work flexibility which is one of the drivers of employee engagement. Past research found that employees ages 45 and older attributed more importance to work flexibility than younger employees (Pitt-Catsouphes & Matz-Costa, 2008). Gen Zers and their affinity for technology could make them attribute a higher value to work flexibility similar to older employees.

Furthermore, they are a generation of self-learners who grew up with smartphones and social media and were highly exposed to social movements and multiple realities beyond their social circle (Francis & Hoefel, 2018). Members of Generation Z are less individualistic than older generations. Gen Zers are community-focused and inclusive, it may be influenced by the fact that they are more ethnically diverse (Fry & Parker, 2018; Mahmoud et al., 2020; Zoya & Chitrao, 2021). Also, the notion of equality plays an important role to Gen Z (Schroth, 2019). They value dialogue as an effective tool to generate change and they report being less confrontational than Millennials who were born between 1981-1996 (Dimock, 2019; Francis & Hoefel, 2018). According to Singh (2014), Gen Zers have fewer siblings than children in previous generations. As a result, they have received more undivided attention from their parents and report greater economic well-being (Schroth, 2019). Even though Gen Zers have had more opportunities in life than their predecessors, they don't report greater emotional or physical health.

Generation Z is the generation to most likely report poor mental health and seek professional help for mental problems, which could be a result of them being more attuned to their mental health than older generations (*Stress in America Generation Z*, 2018). Some sources of stress for Gen Z youth are gun violence (school shootings and mass shootings), the political climate of the nation, national news, money, and personal debt. Regarding their physical health, Gen Z is one of the most physically unhealthy generations. Research estimates that by the time Gen Z children reach adulthood, 47 out of 100 are expected to be obese (Knapp et al., 2017).

In 2018, Barna Group conducted an online survey in which they asked over 3,500 participants to respond to questions about career and life goals. Gen Zers put a high priority on career achievement and a low priority on personal and relational growth. Furthermore, different from the older generation who indicated emotional maturity as the primary mark of adulthood; Gen Zers indicated that the primary mark was financial independence (Barna, 2018). This is relevant because research on pay satisfaction and engagement has found mixed results on older generations. While pay satisfaction is positively correlated to employee retention and job satisfaction, some studies show a weak correlation between pay satisfaction and employee engagement and others show a strong correlation (Florkowski & Schuster, 1992; Sharma & Krishnan, 2012). In this context, Gen Zers place a high value on economic independence which could be positively correlated to employee engagement. It is important to understand what are Gen Z's most important career goals, so organizations can find the best approach to increase engagement among Gen Zers at work.

Maloni et al. (2019) studied similarities and differences in work values between generations. His results coincide with the existing literature. Gen Z generation highly values promotions, career development, and seeing the result of meaningful work (Csiszárík-Kocsír & Garia-Fodor, 2018; Fodor & Jaeckel, 2018; Maloni et al., 2019). In addition, they show an interest in flexible hours and autonomy (Fodor & Jaeckel, 2018; Zoya & Chitrao, 2021). They also give significant importance to find a lucrative job (Csiszárík-Kocsír & Garia-Fodor, 2018; Fodor & Jaeckel, 2018). In addition, one of the main differences between Gen Z and older generations (Gen Xers and Millennials) is that Gen Zers place a higher value on financial stability, are more likely to exercise cautious decision-making, and prefer regular employment (Baum, 2020; Francis & Hoefel, 2018; Mahmoud et al., 2020; Maloni et al., 2019).

### III. Methods

Generation Z are people born between 1997 and 2012 (Dimock, 2019), so in the year this study will be conducted they will be between 9 and 24 years old. For this study, the sample will include only the members of Generation Z between 18 and 24 years old who have graduated from college and are working full-time. This research is aiming to find out what are the key driving factors of employee engagement in professional Gen Zers. College students who work while they go to school are more likely to be working on something not related to their career aspirations and are usually more focused on school than in their jobs which could influence employee engagement and affect the results of the study. For this reason, Gen Zers that who haven't finished college, and are not working full-time will be excluded.

G\*Power was used to estimate the sample size in which  $\alpha=.05$  and power at .80. Effect sizes were derived from prior work that found a large effect for employees working in a variety of jobs and organizations (Saks, 2006). The estimated sample for the current research is 120 participants, which was conservatively estimated by using a medium effect size.

The faculty mentor has determined that this project qualifies for Exempt-self-determination, and approval from the Institutional Review Board at the University of California, Irvine will not be required.

#### Design

A correlation survey design will be used to test the hypothesis. Data will be collected through social media and networking sites (LinkedIn, Facebook, Anteater Network). An online post will be shared with the online community and specific online groups whose members are likely to be college graduates within the age group such as "UCI Class of 2021" on Facebook and "UC Irvine Division of Career Pathways" on LinkedIn. The online post will invite college graduates who meet the age and job requirements to participate in an online study regarding employee engagement. It will also indicate how much time it will take to complete the online survey (10 minutes), and participants will be entered to a raffle to win a prize (\$40 gift card). At his point the online survey has been created.

Link to the survey: <https://forms.gle/RxCK8XLr7t7AQ3ev7>

#### Data Analysis

Descriptive statistics will be used to provide a description of the study sample and inferential statistics will be used to test the study hypothesis. All statistical analyses will be conducted using the program JASP. A multiple regression model will be used to assess the significance of the results.

### IV. Student's Responsibilities

#### *Preliminary Literature Review*

- Review academic literature in the topic
- Write preliminary literature review and Research Proposal

#### *Create Questionnaire*

- Create survey using validated assessments
- Create codebook

#### *Data Collection*

- Post online survey to collect data

#### *Data Analysis*

- Analyze collected data using JASP

#### *Present research's findings in the UCI Undergraduate Research Symposium*

- Synthesize findings
- Create presentation

#### *Write Thesis*

## V. Timeline

### *Fall Quarter*

- Preliminary Literature Review
- Survey Creation
- Data Collection

### *Winter Quarter*

- Data Analysis
- Start writing thesis

### *Spring Quarter*

- UCI Research Symposium presentation
- Final paper

## Itemized Budget

Item	Cost
Five \$40 Starbuck gift cards to raffle between the participants who complete the survey	\$200