

DIVERSITY AND AGE MANAGEMENT

Jana Pechová – Lenka Stejskalová

Abstract

As the current unemployment rate data show, the saturation of the labour market in the Czech Republic has reached its limits, which creates a barrier to further economic growth. With the number of contracts likely to increase, companies and organizations must expect to face growing employee pressure for more competitive salaries and wages. The main key problems the HR staff have been facing recently are a lack of employees, their high fluctuation, and the age structure with differences in motivation. With respect to this reality, a research study has been launched to identify specific motivational factors of the generations classified as X, Y, Z. This paper discusses the needs of managers, explains the typology of individual generations X, Y, Z and presents the research results. For every motivational factor, contingent averages will be evaluated and defined based on this information hypotheses. Theoretical and practical information presented in this study has been supported by local, as well as international sources, interviews with specialists, facilitated discussions, and surveys. Both authors also reflect on their personal experience from cooperation with the prospective generations.

Key words: diversity management, age management, motivation, motivational structures.

JEL Code: M54

Introduction

Based on the human resources managers' requirements, ŠKODA AUTO University implemented the training programme in September 2017 with the aim to present current trends in personnel management. After successfully accomplishing the expected training objectives, the University was addressed by the requirement to launch a survey study with the aim to identify concrete motivational factors of the generations classified as X, Y, Z in the Czech context. The survey was conducted via questionnaires. Chapter 1 presents general key characteristics of generations X, Y, Z, Chapter 2 provides the individual questions presented to Czech respondents of individual generations, which correspond with the main goal of the survey. Sub-chapter 2.2 presents the results and comments on them.

1 Characteristics of generations X, Y and Z

The generation gaps have been constantly deepening. At present, the world is confronted by several rather different generations, yet this generation issue has not been of such a critical importance to be pursued. Chapter 1 introduces the typology of generations classified as X, Y, Z, which is the foundation of the questionnaire survey.

1.1 Generation X

This generation comprises of people born between 1965 and 1980. It is, however, very difficult to unambiguously delimit the age range since authors use various data, so some deviations occur. For the purpose of the survey, the age ranges defined in Chapters 1.1, 1.2, 1.3 and 1.4 were used. Generation X is the cohort described as baby busters, the lazybones generation, undefined generation etc. The resource for the designation X is the book written by Douglas Coupland, *Generation X*; this book popularised this designation, so the subsequent letters of the alphabet are used for the succeeding generations (Berch, 2012).

1.2 Generation Y

Generation Y alias young people, Millennials, Generation Next, Echo Boomers, the Boomerang Generation or Peter Pan Generation. These are people who were born between 1981 and 1995. It is more than clear that Generation Y is very different from previous generations. The prejudices that are being propagated with this generation suggest that there will be no generational change with its coming. This generation is more carefree than previous ones. Its representatives are not concerned by wars and have the freedom to spread their thoughts and opinions. They do not take into account the colour of an individual's skin, they take into account who a person really is (Jaderná, Přikrylová, Apková, 2017).

1.3 Generation Z

People born between 1996 and 2010 are Plurals, probably the most diverse of the generations. If Xs believed that society would give them the chance to engage actively following their own ideas, and if Ys believe they can change society quietly from inside, it seems that Zs are planning to renounce the world totally. Defined by the Internet and multiculturalism, wars and financial crises, family breakdown, and a complete loss of certainty, they turn to themselves and their individual specialisation. However, since their priority is education and development of their abilities, they continue in the same individualistic vein as previous generations. According to unclear studies, they are insecure, impatient and obsessed with direct experience, so they have to "touch" and experience everything personally, while living separately and "on the net". They are intellectually mature, grow up too fast, and do not understand terms such as status quo or tradition. Generation Z believes primarily in their ability

to solve every problem in their own way, so it is expected that Z will bypass traditional social solutions (Spire, 2010).

2 Questionnaire Survey

On 7 – 13 April 2018 a questionnaire survey was conducted in order to identify the specific workplace stimuli contributing to motivation of the Czech generations X, Y, Z. In particular, the questionnaire survey was focused on motivation due to the reason that, according to Plamínek, internal motivators are longer and provide longer employee satisfaction, as opposed to external stimuli that are short-lived (Plamínek, 2010).

2.1 Methodology of the questionnaire survey

For the realisation of the survey, the basic method of data collection - questioning, which was made in the form of a questionnaire, was chosen because of the financial and time easiness. The survey was anonymous. The questionnaire contained a total of 23 questions, one of which was open and the remaining questions were closed. For the evaluation of the questions, a 5-degree scale with a mean value was used. Questions are divided into five areas related to: identification data; change, strategy and communication; immediate supervisor; working environment; working time, evaluation and teamwork. These areas are presented in more detail in this chapter. There were 1,000 respondents participating in the survey, all of them from ŠKODA AUTO, a.s., ŠKODA AUTO University, and the 5th Elementary School in Mladá Boleslav. Three key criteria were taken into consideration to determine the sample of respondents: their mastery of the Czech language, that they are from generations X, Y, Z and work or want to work in the automotive industry; the number of 500-1,000 interviewed was set. Simultaneously, a pilot questionnaire survey was carried out, which was used to verify the clarity of the given questions. The questions, even after the explanation of the issues, were incomprehensible for them. Data was collected through the survey questionnaire on-line, distributed via email, Facebook or WhatsApp. In the younger respondents (in particular the generation Z), a form of personal and direct data collection was chosen. The reason was to ensure a higher degree of clarity.

2.2 Questionnaire Survey Results

The results are divided into five areas. Identification questions served as a general characteristic of respondents and their classification in generations X, Y, Z. A total of 1,000 respondents, of which 490 representatives of Generation X, 290 representatives of Generation Y and 220 of Generation Z, participated in the questionnaire. In terms of gender, 59% of the participants were women and 41% men. The educational and employment backgrounds were as follows: 27%

pupils or students, 69% currently employed, 2% currently unemployed and 2% disability pensioners or women on maternity leave. 41% of all respondents achieved secondary education and 52% university education. The other respondents achieved basic education.

The results are presented by means of relative frequencies and figures no. 1 - 4. Subsequently, the results were verified by the chi-square test of independence; the statgraphics programme was used to evaluate the chi-square test. The aim was to find out whether individual motivational factors depend on the age of the respondents. For greater clarity of results and more obvious answers for HR managers with respect to goals, the “very important” and “important” categories were unified into one category. The categories “neither important nor unimportant”, “less important” and “unimportant” were brought under one heading. The unification of categories was also done due to the low number of “less important” and “unimportant” response rates (demonstrated by figures and/or written description) and thus the failure of the chi-square test of independence.

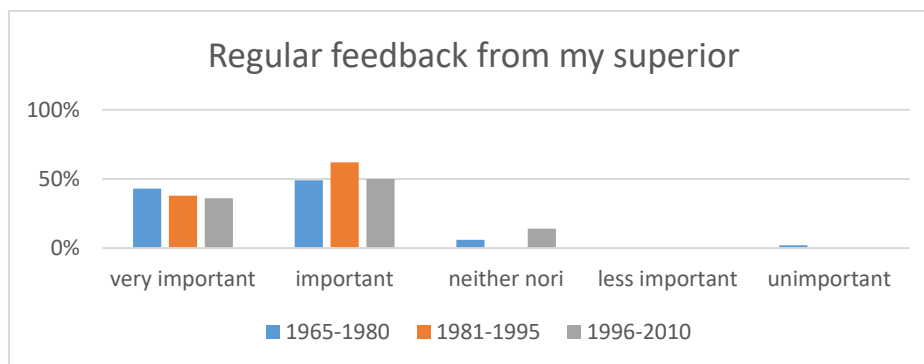
In the area of change, communication and strategy, where three questions were raised about the regular information about the enterprise (where the enterprise is heading) and participation in the fulfilment of objectives/strategies, representatives of Generations X, Y and Z replied as follows: Only 2% of respondents from Generation X "see" work rotation as very important. 12% of Generation X "see" rotation even as unimportant. 10% of Generation Y respondents and 18% of Generation Z respondents consider work rotation to be very important. On the other hand, 21% of Y respondents and 9% of Z respondents denote work rotation as unimportant. It can be stated that the rotation of Generation X is not particularly demanding; Generation Y cannot be fully answered, and Generation Z is inclined to the view that rotation is neither important nor unimportant. After applying the chi-square test of independence, the value of $P = 0.0000704$ was obtained, i.e. at a significance level of 5%, the null hypothesis about independence is rejected. It is possible to state that the importance of this motivational factor depends on the age of the respondents. If job rotation is necessary in a business or an organisation, we recommend applying job rotation, in particular for Generation Y.

In the area of strategic communication regular information about where the business is heading and what it is planning is very important or important for all generations. This fact should definitely not be neglected by the company management, the personnel department and the immediate superior. Perhaps only 18% of Generation Z respondents say that awareness of

enterprise is less important or insignificant to them, which corresponds to a principal characteristic of this generation, namely its diversity. After applying the chi-square test of independence, a value of $P = 0.000213$ was obtained, i.e. at a significance level of 5%, the null hypothesis of independence is rejected. It can be said that the importance of this motivational factor depends on the age of the respondents and strategic communication is significant, in particular for Generation Y.

Involvement in the fulfilment of business objectives/strategy is considered by most respondents to be important. After applying the chi-square test of independence, a value of $P = 0.409$ was obtained, i.e. at a significance level of 5%, the null hypothesis of independence is not rejected. The importance of this motivational factor is not dependent on the age of the respondents. Regular feedback from an immediate superior and respecting the superior are identified as very important or important issues for all generations. See Fig. 1 and Fig. 2.

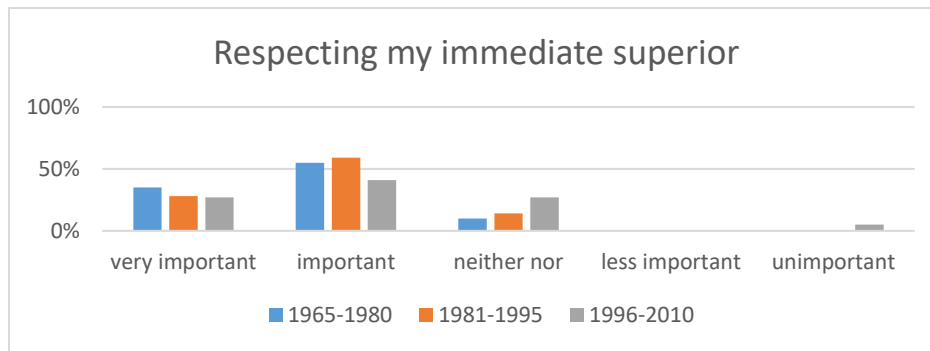
Fig. 1: Feedback from my immediate superior



Source: Own survey, 2018

After applying the chi-square test of independence, a value of $P = 6.41 * 10^{-9}$ was obtained, i.e. at a significance level of 5%, the null hypothesis about independence is rejected. The importance of this motivational factor depends on the age of the respondents. Feedback from a direct supervisor is important for Generation Y.

Fig. 2: Superior's Personality



Source: Own survey, 2018

After applying the chi-square test of independence, a value of $P = 1.65 * 10^{-12}$ was obtained, i.e. at a significance level of 5%, the null hypothesis about independence is rejected. Based on the chi-square test of independence, the importance of this motivational factor depends on the age of the respondents. The direct superior's personality is significant, in particular for Generation X.

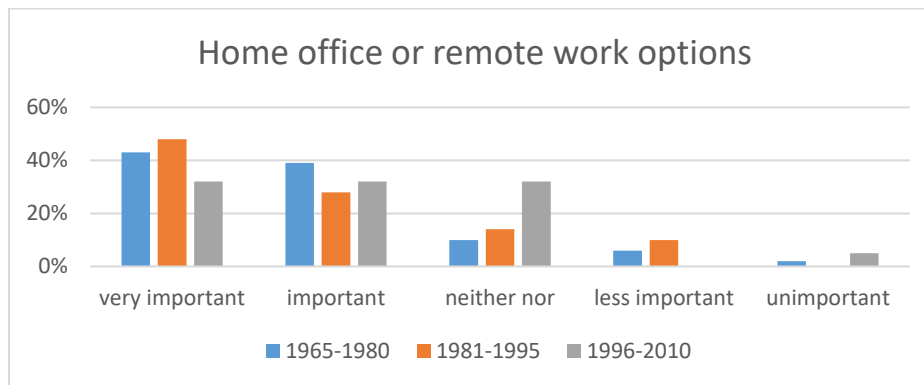
The areas of working environment, work in a modern environment with the latest technology, home office or distance work are very important or important for most of the surveyed Generation Z (68%) and Generation Y (55%), none of the Generation X indicated these as very important.

Working in a modern environment, such as new offices, relaxing areas, telephone booths or playrooms, is particularly important for Generation Z. After applying the chi-square test of independence, a value of $P = 1.48 * 10^{-9}$ was obtained, i.e. at a significance level of 5%, the null hypothesis of independence is rejected. The importance of this motivational factor depends on the age of the respondents.

Working with the latest technical support is the most important thing for Generation Y deputies. Generation Y technicians can work (unlike Generation X) with the latest technical support despite the fact they do not grow with it (unlike Generation Z). Therefore, they (73% of them) probably identify the latest technical support as very important or important. After applying the chi-square test of independence, a value of $P = 2.36 * 10^{-7}$ was obtained, i.e. at a significance level of 5%, the null hypothesis about independence is rejected. The importance of this motivational factor depends on the age of the respondents.

The importance of home office or remote work and the presence of children or pets in the workplace is demonstrated by Fig. 3 and/or written description.

Fig. 13: Home Office or Remote Work



Source: Own survey, 2018

Using home office or remote work is very important or important for most respondents of all generations. The options of home office or remote work should be a benefit for every employer. This question was used for further filtering, specifically for the distribution of respondents to men and women. After further investigation, it cannot be ascertained whether home or remote work is preferred more by women or men. Men's and women's preferences are equal. After applying the chi-square test of independence, a value of $P = 1.4 * 10^{-6}$ was obtained, i.e. at a significance level of 5%, the null hypothesis of independence is rejected. The importance of this motivational factor depends on the age of the respondents. Taking advantage of home office or remote work is the most important for Generation X.

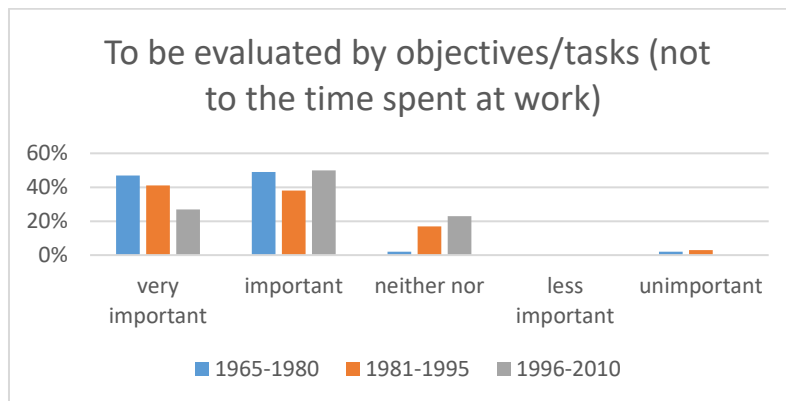
The presence of children or pets in the workplace is less important or unimportant for most representatives of all generations surveyed. After applying the chi-square test of independence, a value of $P = 7.34 * 10^{-6}$ was obtained, i.e. at a significance level of 5%, the null hypothesis about independence is rejected. It can be stated that there are significant differences between generations; however, due to the low share of importance according to respondents, the HR managers are not recommended to put a special emphasis on this motivational factor.

The results of the importance of foreign business trips suggest that 68% of the respondents of Generation Z consider business trips abroad as very important or important. Most representatives of Generation X responded that business trips are neither important nor unimportant to them. Generation Y (38%) occupied fields important, not important or unimportant (35%). After applying the chi-square test of independence, a value of $P = 5.42 * 10^{-32}$ was obtained, i.e. at a significance level of 5%, the null hypothesis of independence is rejected. It can be stated that the importance of this motivational factor depends on the age of

the respondents and the opportunity to travel abroad is important in particular for Generation Z.

Fig. 4 shows the evaluation by the objectives/tasks achieved (not to the time spent at work).

Fig. 4: Evaluation by the objectives/tasks achieved



Source: Own survey, 2018

Evaluation by objectives/tasks accomplished not by time spent at work is very important or important for most generations. The field Teamwork included questions about wishes to work on team tasks, have friends among colleagues or gain recognition from them. Here, again, the respondents of all generations agreed, it is very important or important for them to work on team tasks, to have friends among their colleagues and gain recognition from them. After applying the chi-square test of independence, a value of $P = 1.69 * 10^{-15}$ was obtained, i.e. at a significance level of 5%, the null hypothesis about independence is rejected. It can be stated that the importance of this motivational factor is dependent on the age of the respondents and to be assessed by accomplished goals / tasks (not by the time spent at work) is important, in particular, for Generation X.

Complete results of the survey are demonstrated in Table no.1

Tab. 1: Complete results of the survey

Motivation factor	Result	Especially for the generation
Strategic communication	H ₀ is rejected	Y (born between 1981-1995)
Participation in achieving goals/strategy	H ₀ is not rejected	-
Regular feedback from my superior	H ₀ is rejected	Y (born between 1981-1995)

Superior's personality	H ₀ is rejected	X (born between 1965-1980)
Modern environment	H ₀ is rejected	Z (born between 1996-2010)
Latest technical support	H ₀ is rejected	Y (born between 1981-1995)
Home office or remote work	H ₀ is rejected	X (born between 1965-1980)
Children or pets in the workplace	H ₀ is rejected	Z (born between 1996-2010)
Business trips abroad	H ₀ is rejected	Z (born between 1996-2010)
Evaluation by the objectives	H ₀ is rejected	X (born between 1965-1980)

Source: Own survey, 2018

Conclusion

As the current unemployment rate data show, the saturation of the labour market in the Czech Republic has reached its limits. This starts to create a barrier to further economic growth. With the number of contracts likely to increase, companies and organisations must expect to be facing growing employee pressure for more competitive salaries and wages. However, based on a questionnaire survey conducted from 7th-14th April 2018, it was found that 42% of respondents disagreed with the statement, "I go to work for money". This means that 21st century personnel managers will offer higher salaries and wages, but they also have relatively large space for motivation, which, unlike stimulation, is more effective in the long run. In the survey, five areas were examined, namely: identification data, strategy and communication, immediate superior, working environment, working hours, evaluation and teamwork in generations classified as X, Y and Z. At the same time, it is necessary to respect the different motivational structure of each employee, to support the golden rule of motivation and to emphasise the motivational factor of strategic communication, feedback from the direct superior and the latest technical support for the Generation Y, i.e. the most currently employed generation. Based on the research, we recommend to Generation X to emphasise the personality of the superior, to provide this generation with the possibility of home office or teleworking and to perform evaluations according to the goals or tasks accomplished. For Generation Z it is important to work in a modern environment and to have the opportunity to travel abroad. We shall hope that respecting the different motivational structure will also lead to a decrease in the fluctuation rate that currently affects many Czech companies.

References

Berch, J.V., BEHRER, M. (2012). Jak cool značky zůstávají: Marketing zaměřený na mladou „generaci Y“. Brno : Bizbooks. ISBN 978802650025.

Jaderná, E., Příkrylová, J., Apková, D. (2017). Perception of green solutions by generation Y. Marketing Identity, Trnava. University of Ss. Cyril and Methodius in. From: <https://fmk.sk/download/konferencie/online-rules-II.pdf>

Kincl, T., Štrach, P. (2018) Gender Differences in Online Customer Satisfaction: The Asymmetric and Nonlinear Effect. *Services Marketing Quarterly*, 39.3: 157-174.

Maslow, A. H. (1987). Motivation and Personality. New York: Harper & Row, Publishers, Inc. ISBN 978-00-6041-987-5.

McCann Worldwide. (2011). Studies: The Truth about Youth. [Online] [Citace: 25. 11.2017.]from: <http://www.iab.net/media/file/TheTruthAboutYouthMcCannWorldgroup.pdf>

Plamínek, J. (2000). Synergický management. 1. vyd. Praha: Argo. ISBN 80-7203-258-5.

Spire. (2010). Studies: Generation Y and Z. [Online] 2010. [Citace: 25. 09. 2015.] From: <https://www.spiresearch.com/spire-journal/2010-2/q4/generation-y-and-z/>.

Velinov, E. (2018). Diversity Management Globalization in Central and Eastern Europe: The Case of Pharmaceutical Industry. *European Research Studies Journal*, 21(1), 82-89.

Velinov, E. (2019). Diversity Management Practices in the US Tech Companies. *International scientific conference Hradec Economic Days*, ISSN 2464-6067

Contact

Ing. Jana Pechová, Ph.D.
ŠKODA AUTO University

Na Karmeli 1457, 293 01 Mladá Boleslav
ipechova@email.cz

Mgr. Lenka Stejskalová, MBA
ŠKODA AUTO University

Na Karmeli 1457, 293 01 Mladá Boleslav
lenka.stejskalova@savs.cz