JOB EXPECTATIONS OF DIFFERENT GENERATIONS OF WORKFORCE AND CHANGES IN HUMAN RESOURCE MANAGEMENT PRACTICES

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Abstract

The goal of the paper is to define job expectations of different generations of workforce (generations X and Y) and discuss related changes in human resource management practices. The paper is based on the analysis of available scientific literature and the results of the authors' questionnaire survey focused on different generations of Czech university students and their job expectations. The respondents were full-time and combined bachelor's and master's students. The relevant data were obtained from 679 students. The data analysis was based on the calculation of relative frequencies and the evaluation of the dependence of responses on age (students aged 29 or less and students aged 30 or more) using contingency tables, chi-square tests of independence and sign schemes. The results support the assumption that from the perspective of potential shortage of qualified and motivated people on the labour market, employers should change traditional stereotypes relating to employment of young people and apply proven strategies, policies and practices in talent and diversity management to create appropriate and attractive employment opportunities for them to ensure effective development and utilization of their potential.

Key words: human resource management, generations, workforce, Czech Republic

JEL Code: M12, J21

Introduction

Both theory and practice show that in the developed world the abilities, values, attitudes and beliefs of the young generation of millennials, also known as Generation Y (individuals born from the early 1980s to the mid-1990s) are different from those of their parents and grandparents that belong to the generation X (individuals born from the early 1960s to the late 1980s) and that in the case of next generations these differences will be more apparent (Horváthová & Čopíková, 2015). These facts are very important because millennials will constitute about fifty percent of the workforce by 2020 (Barbuto & Gottfredson, 2016) and

because millennials think of work and career differently than members of the older generation (Stewart et al., 2017).

The young generation of millennials (individuals that are currently in their twenties to thirties) is greatly influenced by modern technologies and high standard of living (Yazici, 2016). Everything seems to be possible and available for them. This easy approach to life is also reflected in the approach to study, work and career (Kopertynska & Kmiotek, 2015). It is positive that many young people study to increase their chances on the labour market (Johnson et al., 2016), but the real professional and personal qualities of them often do not meet the common requirements of employers. However, they crave for meaning-full work, flexible hours, work-life balance, personal development, friendly relationships or career changes (Inanc & Ozdilek, 2016). Therefore most employers tend to hire experienced workers than young people with inadequate experience and unreal expectations. This leads to the unemployment among young people that seems to be a serious social and economic problem (Koňušíková & Kucharčíková, 2015).

In some companies the generational differences among different generations of workers generate conflict instead of synergy resulting from know-how that each generation of workers provides to the company (Varas & Yanez, 2016). But the fundamental problem lies in the fact that many employers have lack of effective strategies, policies and practices of employing young people as well as lack of understanding of their specific abilities, values, attitudes and beliefs (Grenčíková & Španková, 2016). In other words, the young generation entering the labour market make employers change their HR strategies, policies and practices and employers must learn to effectively and efficiently attract, employ and develop millennial and post-millennial workers, whose expectations about work and career are different from those of their older colleagues and managers. If employers want to compete for and retain top millennial workers, they must make themselves attractive to millennial workers (Barbuto & Gottfredson, 2016).

1   Goal and method

The goal of the paper is to define job expectations of different generations of workforce (generations X and Y) and discuss related changes in human resource management practices.

Achieving the goal of the paper is based on the analysis of available secondary data (especially the empirical data available in the scientific literature and the statistical data provided by the Ministry of Labour and Social Affairs of the Czech Republic and the Czech Statistical Office) and the results of the authors' questionnaire survey focused on Czech

university students' motivation to study at university and their expectations about the future career. The survey was conducted by authors from October to December 2016 and from January to March 2017. The respondents were full-time and combined bachelor's and master's students of the College of Regional Development in Prague (Urban and Regional Development Management and Security and Safety Management in Regions), the Masaryk Institute of Advanced Studies of the Czech Technical University in Prague (Personnel Management in Industrial Enterprises and Management and Economy of an Industrial Enterprise) and the Education Management Centre of the Faculty of Education of the Charles University in Prague (Education Management).

The questionnaire included twenty two multiple choice questions focused on university students' motivation to study at university and their expectations about the future career: 1) What reasons led you to study at university? 2) Would you change your decision to study at university? 3) Do you think that you use your knowledge from university in practice? 4) Are you ready to develop your knowledge after graduation? 5) How do you see the demands of study at the university? 6) How do you see the quality of teaching at the university? 7) How do you see the quality of graduates? 8) How were you ready on study at the university? 9) How would you characterize your interest in study at the university? 10) Would you like to obtain a master's degree? 11) Do you work during the academic year? 12) Do you want to work in the field of study? 13) Do you think that higher education give you more chances to succeed on the labour market? 14) What abilities are the most important for the success on the labour market? 15) Do you want to work in your place of residence? 16) How do you look for a job? 17) Would you like to be a manager? 18) What do you expect in the field of work and career? 19) How do you see your chances on the labour market? 20) What monthly income do you expect after graduation? 21) If you work, what is your monthly income? 22) Do you want to run a business?

The relevant data were obtained from 679 students. The respondents were characterized by gender (25% male, 75% female), age (82% 29 years or less, 18% 30 years or more), and form of study (76% full-time, 24% combined).

The data analysis was based on the calculation of relative frequencies (as a share from the total number of respondents) and the evaluation of the dependence of responses on age (students aged 29 or less and students aged 30 or more) using contingency tables and chi-square tests of independence.

Chi-square tests of independence were applied to determine whether responses of respondents expressed in contingency tables were related to age of respondents (students aged 29 or less and students aged 30 or more). The test procedure included the following steps: (1)

formulation of null (H_0) and alternative (H_1) hypothesis, (2) selection of a level of significance (α), (3) calculation of the chi square statistic (χ^2), (4) calculation of the degrees of freedom (f), (5) selection of the critical chi-square value (χ^2_α), and (6) comparison of the chi square statistic (χ^2) to the critical chi-square value (χ^2_α) and acceptation or rejection of the null hypothesis.

2 Results of the authors' survey

A common problem of employing young people is that their professional and personal qualities often do not meet the employers' requirements. Even if they worked during their studies, they lack relevant professional skills and social habits, but they want great earnings and rapid career. Therefore employers usually employ experienced workers than young people with no relevant experience and unreal expectations.

Based on the date of the Ministry of Labour and Social Affairs of the Czech Republic (MPSV, 2017), the fig. 1 shows the quarterly average share of unemployed persons (the ratio of available job seekers aged 15 to 64 years in the population of the same age) and the quarterly average share of school leavers with all levels of education and juveniles in the total unemployment from Q1 2013 to Q1 2017 and the fig. 2 shows the quarterly average number of vacancies and vacancies for school leavers with all levels of education and juveniles registered by job offices from Q1 2013 to Q1 2017.

By March 31, 2017 job offices registered altogether 356,112 job seekers (including 14,332 school leavers and juveniles) and 150,917 vacancies (including 41,094 vacancies for school leavers and juveniles). There were 2.4 job seekers for one vacancy at average. In comparison, by March 31, 2016 job offices registered altogether 443,109 job seekers (including 20,121 school leavers and juveniles) and 117,335 vacancies (including 34,297 vacancies for school leavers and juveniles). There were 3.8 job seekers for one vacancy at average. Especially potential long-term unemployment among young people aged 20 to 29 represents a serious social and economic problem.

From the perspective of employability of young people, the most important condition needed to succeed on the current labour market is the capability and motivation to learn and develop necessary professional knowledge, skills and abilities as well as suitable work and social habits.

Fig. 1: The quarterly average share of unemployed persons and the quarterly average share of school leavers with all levels of education and juveniles in the total unemployment in the Czech Republic (%)
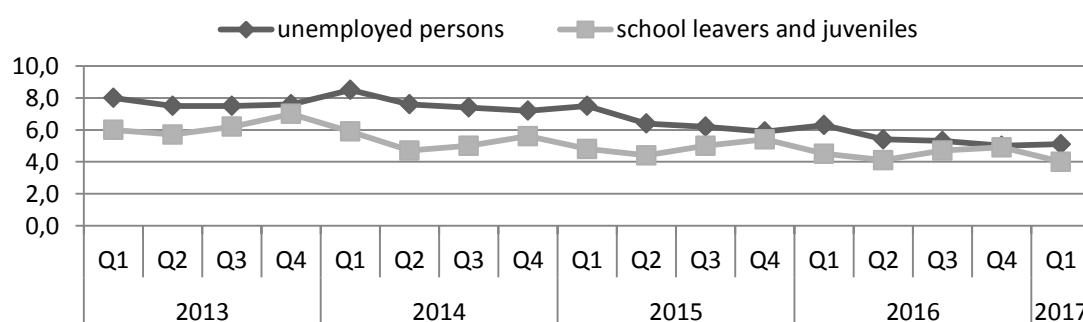
Source: authors based on the data from the Ministry of Labour and Social Affairs of the Czech Republic (MPSV, 2017)

Fig. 2: The quarterly average number of vacancies and vacancies for school leavers with all levels of education and juveniles registered by job offices in the Czech Republic (thousand vacancies)
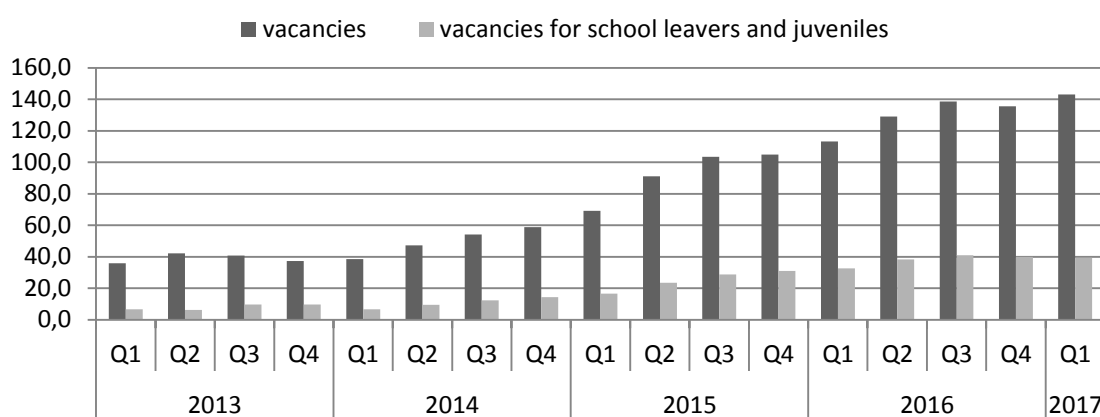
Source: authors based on the data from the Ministry of Labour and Social Affairs of the Czech Republic (MPSV, 2017)

According to the authors' survey results, students stated that they are motivated to study at university by an effort to increase their chances on the labour market (70%), by the possibility of higher earnings (57%) or by an effort to obtain the university degree (64%). In this context, 92% of students agreed that higher education gives them more chances to succeed on the labour market. On the other hand, 73% of students stated that they see their chances on the labour market as medium. They were afraid of the strong competition and the lack of work experience. The data analysis showed no significant difference between students aged 29 or less and students aged 30 or more.

According to the authors' survey results, 89% of students stated that they work during the academic year to earn money and get experience, but only 24% of them stated that they work in the field of study, which may be the problem. Of course, every work experience is good to get needed work and social habits, but working outside the field of study does not develop professional knowledge, skills and abilities needed to find a job in the field of study. The data analysis showed a significant difference between students aged 29 or less and students aged 30 or more (p < 0.05). We tested the null hypothesis that there is no difference between students aged 29 or less and students aged 30 or more regarding the work in the field of study (tab. 1). Since the chi square statistic (χ^2) was greater than the critical chi-square value ($\chi^2_{0.05}$) we rejected the null hypothesis in favour of the alternative hypothesis. There was a difference between students aged 29 or less and students aged 30 or more regarding the work in the field of study.

Tab. 1: Contingency table. Question: "Do you work during the academic year?"

	Yes, in the field of study	Yes, outside the field of study	No, but I am looking for a job	No and I do not want yet	Σ
Students aged 29 or less	93* (136.57)**	368 (341.84)	56 (46.35)	45 (37.25)	**562**
Students aged 30 or more	72 (28.43)	45 (71.16)	0 (9.65)	0 (7.75)	**117**
Σ	**165**	**413**	**56**	**45**	**679**

*observed frequencies (O)
** expected frequencies (E)

(1) H_0: There is no difference between students aged 29 or less and students aged 30 or more regarding the work in the field of study.
H_A: There is a difference between students aged 29 or less and students aged 30 or more regarding the work in the field of study.

(2) Level of significance (α): 0.05

(3) Chi square statistic (χ^2): $\sum \left[\dfrac{\left(P_{r,c} - E_{r,c}\right)^2}{E_{r,c}} \right] = 113.313$

(4) Degrees of Freedom (f): $(r-1) \times (c-1) = 3$

(5) Critical chi-square value ($\chi^2_{0.05}$): 7.815

(6) The chi square statistic ($\chi2$) is greater than the critical chi-square value ($\chi^2_{0.05}$); the null hypothesis is rejected in favour of the alternative hypothesis.

r – the number of rows in the contingency table
c – the number of columns in the contingency table

Source: authors

From the perspective of today's common job requirements, suitable job applicants must demonstrate relevant professional knowledge, skills and abilities, suitable work and social habits, and appropriate development potential and personal aspirations for successful performance, professional growth and career advancement. Although many young people do

not meet the common job requirements, their expectations about the future career are relatively high. According to the authors' survey results, the students' expectations about the future career included meaningful work (80%), self-fulfilment (70%), friendly team (66%), fair wages (63%), favourable environment (61%), job security (54%), professional management (43%), personal development (43%), employee benefits (33%) or career prospects (32%). Many young people do not want to start from scratch, overestimate themselves and require positions that do not match their abilities. According to the authors' survey results, 68% of students stated that they want to be managers (manage people), which is normal when they study to become managers, but they forget that it is a long way and that they have a lot to learn. The data analysis showed no significant difference between students aged 29 or less and students aged 30 or more.

When it comes to wage expectations, the starting expectations of many young people are usually higher than the real wage that an employer can offer to a newcomer with the lack of relevant work experience. According to the authors' survey results, 53% of students stated that they are motivated to study at university by the possibility of higher earnings and 57% of students stated that after graduation they expect the monthly income between EUR 750 and EUR 1,050. According to the data of the data of the Czech Statistical Office (CZSO, 2016), in Q4 2016, the average gross monthly nominal wage was approximately EUR 1,086 (CZK 29,320). The data analysis showed a significant difference between students aged 29 or less and students aged 30 or more ($p < 0.05$). We tested the null hypothesis that there is no difference between students aged 29 or less and students aged 30 or more regarding expected monthly income after graduation (tab. 2). Since the chi square statistic (χ^2) was greater than the critical chi-square value ($\chi^2_{0.05}$) we rejected the null hypothesis in favour of the alternative hypothesis. There was a difference between students aged 29 or less and students aged 30 or more regarding expected monthly income after graduation. The students aged 30 or more expected a higher monthly income than the students aged 29 or less.

Despite all the expectations and problems, students are aware of the fact that the success on the labour market is determined by their abilities. According to students, the most important abilities necessary for the success on the labour market include the ability to communicate with people (82%), the ability to solve problems (75%), the ability to acquire new knowledge (61%), the ability of team work (61%) or the ability to apply own knowledge (52%). Generally, students should continually improve their knowledge of foreign languages, their computer skills or their knowledge of management, economics, psychology, sociology, marketing, informatics or law.

Tab. 2: Contingency table. Question: "What monthly income do you expect after graduation?"

	EUR 700 and less	EUR 750–1,050	EUR 1,100–1,450	EUR 1,500 and more	$\sum$
Students aged 29 or less	79* (67.41)**	342 (320.80)	87 (110.42)	55 (63.93)	**563**
Students aged 30 or more	3 (13.95)	45 (66.40)	46 (22.85)	22 (13.23)	**116**
$\sum$	**81**	**387**	**133**	**77**	**679**

*observed frequencies (O)
** expected frequencies (E)

(1) H$_0$: There is no difference between students aged 29 or less and students aged 30 or more regarding expected monthly income after graduation.
H$_A$: There is a difference between students aged 29 or less and students aged 30 or more regarding expected monthly income after graduation.

(2) Level of significance (α): 0.05

(3) Chi square statistic (χ²): $\sum \left[\dfrac{\left(P_{r,c} - E_{r,c}\right)^2}{E_{r,c}} \right] = 55.920$

(4) Degrees of Freedom (f): $\left(r-1\right) \times \left(c-1\right) = 3$

(5) Critical chi-square value (χ²$_{0,05}$): 7.815

(6) The chi square statistic (χ2) is greater than the critical chi-square value (χ²$_{0.05}$); the null hypothesis is rejected in favour of the alternative hypothesis.

r – the number of rows in the contingency table
c – the number of columns in the contingency table

Source: authors

Conclusion

The authors' survey results support the research assumption that from the perspective of potential shortage of qualified and motivated people on the labour market, employers should change traditional stereotypes relating to employment of young people and apply proven strategies, policies and practices in talent and diversity management to ensure effective development and utilization of their potential.

The authors' survey results include answers of 679 Czech university students focused on their motivation to study at university and their expectations about the future career. 70% of students stated that they are motivated to study at university by an effort to increase their chances on the labour market, but 73% stated that they see their chances on the labour market as medium. They were afraid of the strong competition and the lack of work experience. The data analysis showed no significant difference between students aged 29 or less and students aged 30 or more. 89% of students stated that they work during the academic year to earn money and get experience, but only 24% of them stated that they work in the field of study. The data analysis showed a significant difference between students aged 29 or less and students

aged 30 or more. 53% of students stated that they are motivated to study at university by the possibility of higher earnings and 57% of students stated that after graduation they expect the net monthly income between EUR 750 and EUR 1,050. The data analysis showed a significant difference between students aged 29 or less and students aged 30 or more. The other students' expectations about the future career included meaningful work (80%), self-fulfilment (70%), friendly team (66%), fair wages (63%), favourable environment (61%), job security (54%), professional management (43%), personal development (43%), employee benefits (33%) or career prospects (32%). This all leads to the fact that most employers tend to hire experienced workers than young people with inadequate experience and unreal expectations.

Many employers value experienced workers as the most important source in their organizations. Employers require and appreciate workers with relevant professional knowledge and skills. It seems reasonable, but from the perspective of potential shortage of qualified and motivated people on the Czech labour market, this is not a sustainable approach. Employers should apply a positive approach to the employment of young people and focus on their strengths, not weaknesses. They also should apply proven strategies, policies and practices in talent and diversity management to create appropriate and attractive employment opportunities for young people. In terms of talent management employers should establish and maintain effective relationships with suitable secondary schools and universities to have a chance to meet, attract, and select talented young people and potential workers. In terms of diversity management employers should create age diverse groups of people to mix the new ideas of young people with the life experience of other people in the organization. On the other hand, young people should be ready to continually learn and develop necessary professional knowledge, skills and abilities as well as suitable work and social habits needed to succeed on the labour market.

Acknowledgment

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