Examining Differences between Millennial and All Employee Levels of Job Satisfaction and Importance and Satisfaction with the Immediate Supervisor Relationship

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Abstract: Millennials will make up 75% of the global workforce by 2030 and 50% of the American workforce by 2020. Millennials are looking for organizations to provide defined career development paths and relevant training opportunities. They have a greater focus on career mobility and a greater pace of career development than previous generations. Using survey percentages taken from the 2013 Society for Human Resource Management Employee Job Satisfaction and Engagement report, there is no difference between the percentage of Millennials and all other employees satisfied with their job. The research also found Millennials believe their relationship with their immediate supervisor is important, and they are not satisfied with this relationship. The Millennial Generation has a need to feel connected to someone. Millennial employees need for specific, timely, and relevant feedback using technology such as social media tools may be unfamiliar to some Baby Boomer managers.

Keywords: Millennials, Job Satisfaction, Supervisor Relationship, Career Development

1. INTRODUCTION

Satisfaction originated from the humanistic school of thought, one of the branches of psychology (Sypniewska, 2014). Abraham Maslow, a supporter of the school believed people satisfy their needs in a hierarchical order. He believed needs emerge in a predictable stair-step fashion. Once a need is satisfied it activates the next need in the hierarchy until the highest level need, self-actualization is activated.

Job satisfaction is an emotional response or general feeling towards various aspects of the job (Kincki & Kreitner, 2009). A person may be satisfied with one aspect of the job while dissatisfied with other aspects. Job satisfaction is closely related to the performance and quality of work performed by an employee, and translates into the success of an organization. Only a satisfied employee participates and builds in the success of an organization. Numerous studies have been conducted analyzing individual characteristics of job satisfaction. In fact, job satisfaction is one of the most frequently investigated variables in organizational culture (Belias & Koustelios (2014). Job satisfaction is a complex phenomenon, which does not happen in isolation. According to experts, job satisfaction is considered in many categories, among them inter-personal relationships. The goal of this paper is to analyze if a difference exists between Millennials and all other employees who report satisfied with their current job and the level of importance and satisfaction with their immediate supervisor relationship.

2. MILLENNIALS

Based on generation theory, the millennial generation formally known as Generation Y, refers to those born in 1980 to 1995. However, there are several different birth spans defining Millennials. The term Millennial emerged to differentiate them from earlier generations, Baby Boomers (1946 – 1964) and Generation X (1965 – 1979), which each generation was thought to have different values, including work and careers. Millennials will make up 75% of the global workforce by 2030 and 50% of the American workforce by 2020 (Ng, Lyons & Schweitzer, 2012).

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There is little doubt today's 81 million worker millennial generation, even bigger than the number of Baby Boomers, is a powerful force in the workplace. While previous generations did not impose their personal expectations on their employers, millennial employees have a different set of expectations. Much has been written about millennial employees who seek more feedback from management than previous generations. Even though surveys show millennials frequently change jobs, it does not mean they cannot be nurtured to assume positions of leadership currently held by Baby Boomers (Ferri-Reed, 2014). This new breed who entered the workforce at the turn of the century is self-confident and tech-savvy.

3. CAREER ADVANCEMENT OPPORTUNITIES

A career may be defined as a series of jobs and positions occupied throughout the lifetime of a person. Millennial careers have evolved from linear careers within one organization to boundaryless and protean careers (Parry, Unite, Chuddzikowski, Briscoe & Shen, 2012). Boundaryless career and protean career are new career concepts where employees shape their career concept based on their values and goals rather than organizational needs (Lynons, Ng, & Schweitzer, 2012). Career goals are important because they create an employee's identity based on self-perceived talents, desires, and values. Knowing the career goals of millennials is important to supervisors, as it serves as the basis for work preferences (Colakoglu & Caliguiri, 2012) It is expected Millennials will have a greater expectation than past generations to reach positions of management, work with increasingly challenging tasks, and contributing to society (Ismail & Lou, 2014).

4. JOB SATISFACTION

The Motivational-Hygiene theory of Herzberg, Maunser, & Synderman (1959) formed one of the first investigations and assessment of job satisfaction. In a landmark study of 203 accountants and engineers, Herzberg initially sought to determine factors responsible for job satisfaction and dissatisfaction. Herzberg found after his interviews, that separate and distinct factors were associated with job satisfaction and "no job satisfaction." In essence, Herzberg believe the opposite of job satisfaction was no satisfaction, versus dissatisfaction. Job satisfaction was more frequently associated with intrinsic factors such as achievement, recognition, responsibility, and sense of advancement. Herzberg labeled these factors motivators because each was associated with increased effort and good performance and hypothesized they could move an employee from no job satisfaction to satisfaction. Herzberg found no job satisfaction was associated with extrinsic factors in the work environment such as salary, supervision, working conditions. Herzberg labeled these as hygiene factors and hypothesized their presence did not contribute to job satisfaction. The absence of hygiene factors would lead to no job satisfaction. Even though the study was limited to accountants and engineers, Herzberg's research revealed the "global character of job satisfaction" (Belias & Koustelios, 2014).

Subsequent studies have verified Herzberg's theory. However, the importance of motivators and hygiene factors depends on the job or position held. Blue-collar employees place greater value on hygiene factors while white-collar workers value motivators (Harris & Locke, 1974).

4.1. Age and Job Satisfaction

Research has found the age of workers and job satisfaction are correlated. Some studies found a linear relationship between age and job satisfaction, while others found a non-linear relationship. Regardless of the kind of relationship, numerous studies have found that age and job satisfaction are correlated (Brush, Moch, & Pooyan, (1987); Baron and Greenberg, 1997). There are several explanations for this. People generally are more satisfied as they age and older and more tenured employees generally have better jobs and higher salaries than younger employees. Some studies suggest older employees have reduced job expectations and become adapted to work conditions. Finally, faced with fewer employment alternatives as they age, their job satisfaction was higher.

Halloran & Benton (1997) found employees develop a cycle between age and job satisfaction, entering their first job with higher levels of job satisfaction. Into their mid-twenties, job satisfaction decreased, then increased again in their thirties and continued before retirement when it again declined. This may be explained due to the fact that at the beginning of their work career employees are very enthusiastic, that positively influences job satisfaction. After a few years on

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the job, employees encounter problems, face additional job responsibilities, and uncertain job stability. If an employee survives job layoffs, over time the job stabilizes and they may receive a job promotion, leading to increased job satisfaction. Facing retirement, job satisfaction then decreases.

4.2. Employee/Management Relations and Job Satisfaction

During the decades following Herzberg's research, many studies have been conducted to identify and describe the many dimensions of job satisfaction. Kennerly (1989) found behaviors such as mutual trust, respect, and rapport between supervisors and employees can predict job satisfaction of healthcare employees. The Glassdoor Top 20 Best places to Work in 2013 Employee Choice Award Leaders examined the practices, policies and actions organizations have implemented to engage employees successfully. Employees commented on the importance of working with good supervisors and that working with "like-minded people" and personal growth were primary reasons employees remained with their organization (Johnson, 2014). The study also found professional growth and advancement was very important, especially in the early stages of a career. This was similar to Lockwood (2007) that found today's generation access to growth opportunities was important to employee engagement and job satisfaction. In an overall assessment of 215 respondents, Synpniewska (2014) found good relations with superiors was one factor of vital importance to job satisfaction. In summary, interpersonal relationships such as the employee/management relationship in the workplace are extremely important to employees. This thesis is confirmed by numerous studies and I attempt to support this.

5. LEADER-MEMBER EXCHANGE THEORY

An entire body of research has been devoted the study of employee/management relations. Leader-member exchange theory (LMX) has focused almost exclusively on the nature of the relationship between leader and employee (Gerstner & Day, 1997; Graen & Uhl-Bien, 1995). LMX theory is an alternative approach to understanding a leaders' influence on individual follower or subordinate effectiveness is through the focus on dyadic relationships between leaders and each of their subordinates (Dansereau et al., 1975). Originally termed vertical dyad linkage (Dansereau et al., 1975), leader–member exchange theory differs from other leadership theories by its focus on the dyadic relationship and the unique relationships leaders develop with each follower (Gerstner & Day, 1997; Liden, Sparrowe, & Wayne, 1997).

Strong LMX relationships are characterized by support, mutual trust, respect, and liking (Graen & Uhl-Bien, 1995). Interactions between employees and managers in strong LMX relationships typically reinforce positive affect and strengthen the relationship bond and job satisfaction (Fairhurst, 1993). Such relationships include the exchange of material and nonmaterial goods that extend beyond what is specified in the formal job description (Liden et al., 1997; Liden & Graen, 1980).

The LMX model suggests that leaders do not use the same style or set of behaviors uniformly across all members. Instead, unique relationships or exchanges develop with each member. These exchanges range from low to high quality. In addition, the theory contends that a supervisor will develop different quality exchange relationships with each of his or her subordinates which remain relatively stable over time. Employees with high-quality exchanges have been referred to as in the "in-group" and those with low-quality exchanges as in the "out-group."

In strong LMX relationships, employees are more likely to be involved and report a high degree of job satisfaction. Conversely, employees in low LMX relationships are accustomed to antagonistic behaviors, may view consultation tactics as insincere and motivated by opportunistic intentions, and report lower job satisfaction. For example, leaders with poor reputations who engage in supportive behaviors are viewed as self-serving and insincere. Similarly, for employees in low LMX relationships, a manager's use of consultation tactics may be perceived as self-serving attempts to gain employee favor, or even to highjack employee ideas, rather than as an attempt to improve the change initiative. Such perceptions would likely cause these influence attempts to backfire and prompt employees to resist the influence attempt. These research findings strongly suggest an employee's relationship with his or her supervisor is a major determinate of job satisfaction and serves as the basis for my proposed relationship. Hays & Lou (2013) found

the same positive or negative relationship between employee and management exists between the same employee and their co-workers.

6. METHODOLOGY

Survey percentages were taken from the 2013 Society for Human Resource Management *Employee Job Satisfaction and Engagement* report. The annual report conducted in July and August 2013, surveyed 600 randomly selected employees. The survey measured 35 aspects of employee job satisfaction and 34 aspects of employee engagement. Of the 600 employees, 159 identified themselves as Millennials. The survey used a five-point Likert scale; 1 = very dissatisfied, 2 = somewhat dissatisfied, 3 = neutral, 4 = somewhat satisfied, and 5 = very satisfied; to measure satisfaction. A respondent was rated as satisfied with their current job if their job satisfaction score was either "somewhat satisfied" or "very satisfied". Importance was measured using a four-point Likert scale; 1 = very unimportant, 2 = unimportant, 3 = important, 4 = very important.

6.1. Hypotheses

- 1. There is no difference between the percentage of Millennials and all other employees' rating their current job as satisfied.
- 2. There is no difference between the percentage of Millennials responding as very satisfied with the relationship with their immediate supervisor and satisfied with their current job.
- 3. There is no difference between Millennials believing their immediate supervisor's relationship is very important and responding very satisfied with the relationship.

7. RESULTS

For the first hypothesis, in 2013, 75% of Millennials respondents (n=159) were satisfied with their current job while 81% of all other employees (n=600) were satisfied. A two sample t-test between percents was calculated revealing a t-statistic of 1.674 and p = .0946. For 2013, there is no difference between the percentage of Millennials and all other employees responding as satisfied with their current job. This supports Halloran & Benton (1997) that found employees entering their first job report high level of job satisfaction. The lack of a significant difference between Millennials and all other employees satisfied with their job may be attributed to the high unemployment rate of 12.8% for the 20 to 24 year old group versus 7.2 overall, as reported by the Bureau of Labor Statistics during the timeframe the survey was conducted http://www.bls.gov/web/empsit/cpseea10.htm. For the second hypothesis, in 2013, 33% of Millennial respondents (n=159) reported as being satisfied with their immediate supervisor's relationship and 75% were satisfied with their current job. A one sample t-test between percents was calculated, revealing a t-statistic of 5.571 and p = .0000. In 2013, there is a difference between the percentage of Millennials very satisfied with their immediate supervisor relationship and satisfied with their present job. Millennials appear to be dissatisfied with their immediate supervisor relationship while maintaining satisfaction with their current job. This does not support previous research that found a relationship between an employee's relationship with their immediate supervisor and job satisfaction. However, this does support a hypothesis that Millennials at the end of their age era, having fewer employment alternatives, are just satisfied having a job. For the third hypothesis, in 2013, 54% of Millennial respondents (n=159) reported the relationship with their immediate supervisor was important while 33% reported as being satisfied with that relationship. A one-sample t-test between percents found t-statistic = 2.914 and p=.0041. The gap between very important and very satisfied is significant and should serve as notice to leadership that while satisfied with their job, Millennials are not satisfied with the immediate supervisor relationship that they consider important.

8. DISCUSSION

While Baby Boomers have begun to enter the age 65 and older group, they do not want to retire at social security Full Retirement Age (FRA). Boomers want to stay in the current job while others begin second careers, and are projected to live longer and be healthier than previous generations (Smith & Clurman, 2007). Fully 72% of people aged 50 and over who have not yet retired say they want to work in retirement, and almost half of current retirees said they have or will work,

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according to March 2014 study by Merrill Lynch - Bank of America and Age Wave, a consulting and research firm. A Pew Research Center study released on July 17, 2014 found a record 57 million Americans (18% of the population) live in multigenerational households (Fry & Passell, 2014). Baby Boomers find themselves taking care of their parents while still taking care of their children. It is important for Millennials be prepared to work with and for older adults. Previous attempts to change negative age-related attitudes of other generational cohorts have been mixed. Some research suggests positive change can be obtained through instruction and factual knowledge (Allan & Johnson, 2009). Other research found no significant change in attitudes of students when they were provided instruction only (Cottle & Glover, 2007).

As the findings of this study concur with previous research, the Millennial Generation has a need to feel connected to someone. Supervisors can fill this role feel by showing Millennials how to turn goals into action. Supervisors can connect with Millennials through electronic meetings as well as face-to-face. Meetings should be straight-forward, open, without "false kindness" that continues to plague Baby Boomers. Supervisors should provide immediate and specific feedback. resources via electronic means, and a way for Millennials to "check-in". Electronic communication can help Millennials feel they are part of a network. Most Millennials never seem to be too far away from social networks such as Facebook, Instagram, and Twitter. Supervisors may use social networks to focus on specific interests, tasks, or as a general portal for interpersonal exchanges. Millennial-friendly organizations need to provide employees with topquality notebook computers, tablets, and smartphones. With the cost of technology dropping quickly, there is no reason for workers to use inferior technology on the job, as compared to their personal technology. Employers looking to improve employee/supervisor relations should encourage employees and supervisors to both engage in volunteer activities during the workday with paid time off to participate. Individual workspace cubicles of the Baby Boomer generation should be replaced with open "common space" for Millennials to collaborate. Some suggest a "coffee shop" strategy where Millennials carry their offices in the form of notebooks, personal computers, and smartphones with them where they wish to work (Ferri-Reed, 2014). Finally, supervisors must keep in mind that Millennials belong to the "good job" generation. Acknowledgement of the right behaviors in a timely and appropriate manner serves as motivation to Millennials. The millennial employee wants to know how to be successful faster (Branscum & Sciaraffa, 2013). This will pose a considerable challenge to the current legalistic work environment where the strategy is to give what Jack Welch refers to as false-kindness to appease employees and move on to the next "fire."

9. CONCLUSION

Millennials are looking for organizations to provide defined career development paths and relevant training opportunities. They have a greater focus on career mobility and a greater pace of career development than previous generations. Millennials want to quickly progress up the career latter within an organization offering this opportunity (Twenge, 2010). This poses direct conflict to the large number of Baby Boomers who desire to remain in the workplace after the age they qualify for social security Full

Retirement Age (FRA). Supervisors must forgo the "false kindness" strategy to appease and give Millennial employees specific, timely, and relevant feedback using technology such as social media tools that may be unfamiliar to some Baby Boomer managers.

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