

Work Place Expectations and Organizational Commitment of Generation “Y”: A Case Study at Selective Business School

J. Sathyakumar
M. Ramakrishnan

Abstract

Post globalization and liberalization era it is essential for an organization to survive and excel in the competitive environment and in the process Human Resource Management in an organization plays a pivotal role. To evolve winning HRM strategies in the organization, it becomes imperative to understand the need to build a committed work force which is conflict free and whose expectations are well met by the organization. The modern corporate practice is to source their valuable leadership oriented managerial resources from leading Business schools in the country and the present day young generations who step in to the organization in managerial cadre are mostly confronted with intergenerational issues at workplace. This study explored the work place expectations on Gen Y employee's value dimensions and related it to see its impact on levels of commitment and found that age and siblings have a role in shaping up work place preferences among generation 'Y'. They also value to be close to their co-workers and look forward to social environment of working together.

Keywords: *GenY, Workplace preference, Affective commitment, Instrumental Commitment, continuance commitment*

Introduction:

In the recent past due to the emerging economic scenario and on account of the drastic change in the demographics of the population across the globe, the talk of Gen Y employees and their preferences, likes and dislikes in work place, their distinct commitment levels etc., have gained lot of importance as they are the future work force. One can find an excellent synchronization of the modern competitive corporate environment and the young, dynamic workforce both trying to change the very traditional expectations and approaches of the very approach of management practices. The entry of Gen Y employees in to the contemporary workplace sets a new paradigm with new set of expectations and demands. This could be due to the fact that on hand the organization may have the graying work force who are more prone to traditional thinking and with whom on the other hand the young Gen Y workforce have to interact and get things done. Gen Y expectations of the work place environment are much different and dynamic. One can reasonably foresee that the future managerial workforces, evolve from

Dr. J. Sathyakumar is Professor at Thiagarajar School of Management, Madurai-5.

E-mail: sathyakumarj@tsm.ac.in

Dr. M. Ramakrishnan VP-HR in Loyal Textiles Ltd. Chennai-28.

E- mail: ramakrishnan@loyaltextiles.com

TSM Business Review Vol.1, No.1, Dec 2013

Business schools directly inducted to workplace, may redefine the landscape of interpersonal relationship and organizational commitment among intergenerational workforce. It is in this context, this study has been undertaken to examine profile and work place expectations of Gen Y as it is found from the existing body of knowledge that on the chosen subject, there is a handful number of studies limiting to profiling Gen Y in Indian context. Intergenerational issues would be due to the fact that the age diverse workforce is likely to have differentiated workplace expectations resulting differential levels of organizational commitments towards organization. This variance becomes very critical to understand and formulate futuristic HRM strategies in order to keep the organization more effective in achieving its goals. This empirical study intends to find answers to the question, "Why would a highly talented managerial resource choose to work for an employer?" and what do talented Gen Y managers look for when deciding which company to join?" For creating a compelling employee value proposition, an organization must provide the core elementary expectations of future incumbents such as exciting work place, a great company, attractive compensation etc., as its value proposition. It would be necessary to identify as to what would be real winning propositions to attract and retain talented young managerial resource from Gen Y. During the recent times several studies have been conducted in this area. Ralston et.al, (1999) found in their study of new generation

Chinese managers that they tend to be more individualistic and likely to act independently. The younger are also distinct in their psychological makeup which has an influence in the workplace behavior. They have higher self-esteem and prone to anxiety, and depression (Twenge and Campbell, 2008) which could be easily observed as a characteristic feature of a young individual. According to the study of Raines (2002) as the Gen Y employees invariably well-educated and technically savvy, they tend to be open-minded, achievement-oriented, and able to work on parallel tasks.

Objectives

1. To study the work place expectations of Gen Y employees.
2. To explore the commitment towards work of Gen Y employees

Research Hypothesis

The following broader hypothesis is formulated after an extensive review of literature and setting our objective of the study.

Ho1 - There is no significant difference in the matter of perception of respondents' 'work place preferences' on the basis of demographic variables such as age, education, parent's qualification, parent occupation, family income, siblings and hometown.

Ho2 - The work place preferences of generation Y shall significantly explain variance in

organization in the matter of outcome between work place preference and organization commitment.

Operational Definition

Generation Y means and includes people in the age group of 20 – 26 years in the study organization. Work place preference is perceived in view of Generation Y and good management, work environment, organization condition, opportunity at work and job. Organization commitment means the strength of one's identification within an organization.

Sampling

The study was conducted at Thiagarajar School of Management, Madurai. The population for the research work composed of the students perusing their MBA degree keeping in mind the principle of sample size that it should neither be too large nor too small and however in order to keep it at optimum, it was decided to draw 125 samples using simple random sampling method.

Tools

The survey questionnaire was designed incorporating demographic variable and specific items covering various dimensions of work place preference and organization commitment. There are hardly five items drawn from existing studies on organization commitment and thirty items framed to measure work place preference of Generation Y.

Out of 125 intended respondents, only 105 of them returned the filled in questionnaire.

All the items are measured on 5 point likert scale (1= strongly disagree, 2= disagree, 3= neither agree nor disagree, 4= agree, 5= strongly agree). A consistent response format of 1 and 2 being negative and 4 and 5 being positive used for measuring all the study dimensions. Selective few items were given in reversal form to make respondents attentive.

Pilot Study

In pursuance of the objectives of the study, the questionnaire was designed and incorporating all required items as explained above. The pilot study sample consisted of ten Generation Y persons belonging to study organization. Reliability of all items was tested using pilot study and suitable modification were carried out in the questionnaire on the basis of Alpha values

Analysis and Interpretation

Table 1: Profile of the Respondents

Demographic variable	Frequency	Percentage
Gender		
Male	64	61.0
Female	41	39.0
Age (In years)		
20-23	98	93.3
24-26	7	6.7
Education		
Engineering & Technology	70	66.7
Science	7	6.7
Arts & Commerce	28	26.6
Parent Qualification		
Non Graduates	46	43.8
UG Degree	31	29.5
PG Degree	18	17.1
Professionals	10	9.5
Parent Occupation		
Business	42	40.0
Non-Executive	18	17.1
Executions	31	29.5
Professions	8	7.6
Teaching	6	5.7
Family Income		
<10000	14	13.3
10000-25000	42	40.0
25000-50000	36	34.3
above 50000	13	12.4
Home Town		
Rural	26	24.8
Semi urban	75	71.4
urban metros	4	3.8

Table 1 presents the profile of the respondents covering gender, age, education, parent's qualification, parent occupation, family income and hometown. Among total respondents, 61 percent of them are men and the remaining 39 percent respondents are women. As regard age, the study is confined to understand Generation Y and their preferred work place characteristics. It is interesting to note that the majority of the respondents in the age group of 20-23 and the group constitute 93.3 percent and about negligible 6.7 percent of them are in the age group 24-26. In the matter of basic educational qualification, 66.7 percent of the respondents are having engineering & technology qualification and nearly one-fourth (26.6 percent) are qualified arts and science graduates and remaining 6.7 percent of the respondents are graduated in science discipline. It is seen from the table that majority of the parents (43.8 percent) are undergraduates and nearly one-third of them are holding graduate degree (29.3 percent). Very negligible percentage (9.5) is professionals and remaining parents (17.1 percent) are post-graduates. It is observed that parental occupation is predominantly business (40 percent) and next higher percentage of parents (29.5) are executives and 17 percent of them are non-executives. Parents with professional practice and teaching are 7.6 percent and 5.7 percent respectively. It is inferred from the table that about 40 percent of the respondents' parents belong to the monthly family income brackets of Rs.10000 – 25000 and closely followed by 34.3 percent of their in the Rs.25000 – 50000 family income group. On the two extreme of continuum it is found that 13.3 percent are having less than Rs.10,000 family income and remaining 12.4 percent are in the other higher extreme of Rs.50000/- above income. Barring 3.8 percent of urban metro dwellers, the rest of the respondents are either semi-urban (71.4 percent) or rural (24.8 percent).

Factor Analysis: With view to make theoretically more meaningful pattern formation (Kaiser, 1974), Factor analysis did done using principle components analysis (PCA) with varimax rotation is conducted on twenty items comprise on organizational commitment.

Table 2.1 latent factors of organizational commitment (DV)

Items No	AC	IC	CC
1	0.202	0.253	0.401
2	0.177	0.458	0.412
3	0.187	0.557	0.212
4	0.439	0.419	0.337
5	0.112	0.112	0.334
AC 1	-0.121	0.267	0.287
2	-0.117	0.231	0.328
3	0.246	0.211	0.287
4	0.362	0.199	0.247
5	0.402	0.441	0.102
6	0.294	0.370	0.421
7	-0.408	0.165	0.367
8	-0.158	-0.163	0.524
9	0.509	-0.182	0.466
10	0.432	0.267	0.395
11	0.549	0.199	0.260
12	0.104	0.540	0.477
IC1	-0.266	0.580	-0.128
2	-0.505	0.118	0.378
3	0.225	0.244	0.141
4	0.425	-0.398	-0.326
5	0.124	0.466	-0.254
6	0.503	0.232	-0.367
7	0.255	0.331	-0.200
8	0.593	-0.257	-0.276
Eigen value	2.619	2.439	2.011
Percentage of variance	10.477	9.755	8.046
Cumulative Percentage of variance	10.477	20.231	28.277

Table 2.1 describes various latent factors of organizational commitment (DV). All the items have emerged as three interpretable factors and one item in each factor had less than 0.30 loadings and the same are deleted for further analysis. The first factor with ten items is labeled as “affective commitment”, accounting for 10.47 percent variance. The second factor labeled as “Instrumental commitment” and there are seven items accounting for 9.755 percent variance with Eigen value of 2.429. The third factor covering five items with Eigen value of 2.011 is named as “continuance commitment” and accounted for 8.046 percent of variance.

Table 2.2 Result of Factor Analysis of WPP

S.No	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5		
1	0.464	0.038	0.317	0.327	0.148		
2	0.612	0.187	0.145	0.250	0.152		
3	0.669	0.283	-0.219	0.134	0.292		
4	0.487	0.241	0.257	0.183	0.256		
5	0.384	0.235	0.163	0.554	-0.324		
6	0.232	0.204	0.005	0.225	0.433		
7	0.168	0.411	0.287	0.295	-0.157		
8	0.228	0.368	0.213	0.573	0.145		
9	0.304	0.183	0.330	0.686	0.114		
10	0.146	0.269	0.259	0.560	0.379		
11	0.265	0.292	0.298	0.191	0.427		
12	-0.425	0.214	-0.163	0.430	0.355		
13	-0.212	0.125	0.289	0.191	0.427		
14	0.159	0.588	0.245	0.299	0.149		
15	0.456	0.404	-0.457	0.113	0.237		
16	0.196	0.289	0.217	-0.152	0.241		
17	0.257	0.557	-0.146	-0.104	0.186		
18	0.702	0.164	0.200	0.234	0.179		
19	0.711	0.386	0.376	-0.101	0.140		
20	0.553	0.283	0.271	0.202	0.312		
21	0.236	0.555	0.221	0.304	-0.187		
22	0.204	0.523	0.491	0.265	0.164		
23	0.229	0.222	0.587	0.258	0.202		
24	0.214	0.379	0.388	-0.106	0.432		
25	0.108	0.445	0.314	0.267	0.429		
26	0.165	0.126	0.341	0.267	0.610		
27	0.247	0.213	0.436	0.415	0.323		
28	0.128	0.301	0.468	0.186	0.214		
29	0.365	-0.140	0.708	0.224	0.114		
30	0.297	0.649	0.217	0.298	0.395		
Eigen value			3.95	2.816	2.563	2.231	2.218
percentage of variance			11.98	9.39	8.54	7.43	7.39
cumulative percentage of variance			11.98	21.37	29.91	37.35	44.74

The results of WPP are presented in the Table 2.2. There are thirty items included under the construct titled “work place preference”. The results of factor analysis indicate that 29 items of WPP had loadings more than 0.30 with five interpretable factors. All the five factors had Eigen

value ranging from 2.218 to 3.950. First interpretable factor is labeled as “good management” and the second factor is named as “work environment”. These two factors have Eigen values of 3.950 and 2.816 respectively with variance levels of 11.98 percent and 9.39 percent. Factor three is named as “organizational condition” and the fourth factor is labeled as “opportunity at work”. These two factors have Eigen values of 8.54 and 7.43 respectively and individually factors three and four accounted for 8.54 percent and 7.43 percent variance. The factor five have four items with factor loadings more then 0.30 and accounted for variance of 7.39 percent with Eigen value 2.218. This factor is “Job”. Reliability of study variables: The reliability scale is tested by computing Cronbach's Alpha for all eight study variables. Independent variable, WPP construct, alpha values are in the range of 0.40 good management - 0.76 ($\alpha=0.76$), work environment ($\alpha=0.68$), organizational condition ($\alpha=0.68$), opportunity at work ($\alpha=0.68$), and job ($\alpha=0.65$). The dependent study variable organizational commitment exhibited alpha values in the order of 0.84 - affective commitment, 0.74 - Instrumental commitment and 0.62 – continuance commitment. On the basis of reliability for all the study variables are validated for further analysis.

Table 3: Descriptive statistics study variables

Sl.No	Study Variables	M	SD
1	Affective commitment	35.3048	4.7110
2	Instrument commitment	32.3238	2.8504
3	Continuance commitment	22.0571	2.5147
4	Good Management	27.9143	4.0240
5	Work environment	34.4000	3.2893
6	Organizational condition	24.6381	2.4695
7	Opportunity at work	16.4571	2.9549
8	Job	15.8190	1.9699

Descriptive statistics

Table 3 presents computed mean and standard deviation values of all the eight study variables. Among organizational commitment variables, affective commitment showed higher mean value (mean=35.3048, SD=4.711) and standard deviation, Instrumental commitment dimension is marginally closer to affective commitment in terms of computed mean value (32.3238) with lesser standard deviation value (SD=2.8504). As regard work place preference, study dimensions are placed in the order of work environment (mean=34.4000, SD=3.2893), good management (mean=27.9143, SD=4.024), organizational condition (mean=24.6381, SD=2.4695), opportunity at work (mean=16.457, SD=2.9549) and job (mean=15.8190, SD=1.969).

Table 4: ANOVA of Demographic variables and WPP

Variable		SS	DF	Mean square	F	Sign
Gender	Between group	9.800	40	245	1.032	0.447
	Within Group	15.190	64	237		
	Total	24.990	104			
Age	Between group	4.200	40	0.105	2.880	0.000
	Within Group	2.333	64	0.036		
	Total	6.533	104			
Education	Between group	32.355	40	0.809	1.060	0.411
	Within Group	48.845	64	0.763		
	Total	81.200	104			
Parent Qualification	Between group	45.640	40	1.141	1.264	0.198
	Within Group	57.750	64	0.902		
	Total	103.390	104			
Parent Occupation	Between group	67.188	40	1.680	1.239	0.219
	Within Group	86.774	64	1.356		
	Total	153.962	104			
Family Income	Between group	35.133	40	0.878	1.147	0.307
	Within Group	49.000	64	0.766		
	Total	84.133	104			
Siblings		4.848	40	0.121	1.551	0.058
		5.000	64	0.078		
		9.848	104			
Home Town		11.426	40	0.286	1.309	0.166
		13.964	64	0.218		
		25.390	104			

There is a significant difference in work place perceptions on the basis of age groups $F(40,64)=2.880, P<0.001$. Table 4 exhibits the results of ANOVA for significant differences in WPP based on demographic variables such as gender, age, education, parent qualification, parent occupation, family income, siblings and home town. It is noted from this table that there is significant difference in perception on work place preference among generation 'Y' on the basis of demographic variables like age and number of siblings. The statistical inference ($p<0.01$) shows that there is statistically significant difference between the 'age group' of the respondents in the matter of perception on WPP. Another demographic variable 'siblings' has showed significant difference statistically in WPP with $F(40, 64)=1.551, p<0.05$. Remaining other demographic variables has no effect on WPP as per the computed 'F' statistics and corresponding significant levels shown in the table. Null hypothesis in respect of age and siblings are rejected on the basis of statistical inference and accordingly it is concluded that significant differences exist among various age groups and number of siblings.

Table 5: Linear regression analysis of study dimensions of workplace preference with organizational commitment

S.No	Study Variables	R	R ²	F	P	β	t
1	Good Management	0.406	0.165	2.732	0.000	16.145	9.616
2	Work environment	0.449	0.202	1.625	0.001	16.541	6.140
3	Organizational condition	0.530	0.280	1.637	0.000	16.415	2.802
4	Opportunity at work	0.619	0.383	1.962	0.000	15.233	5.353
5	Job	0.649	0.422	1.887	0.000	16.706	5.688

P=<0.01 p=<0.05 p=<0.10

Table 5 shows linear regression analysis of study dimensions of workplace performance on organizational commitment. Out of total variation 16.5percent of variation (R²= 0.165, F=<0.01) was explained by one of the study dimensions viz., good management. Dimensions like work environment and organizational conditions have accounted of variance in dependent variable organizational commitment to the extent of 3.7 percent(R²=0.202, P=<0.01) and 7.8percent (R²= 0.280, P=<0.01) respectively. Introduction of study dimension opportunity at work had improved explanatory power of model to 38.3percent (R²=0.383, P=<0.01) and the dimension opportunity to work alone has contributed 10.3percent variance explanation in the model. A marginal improvement level is seen from the study dimension 'Job' to the extent of 3.9percent. All the study dimensions of work place preference together have explained variance in organizational commitment to the extent of 42.2percent (R²=0.422,P=<0.01). the standardized beta values and corresponding t values of study dimensions confirm that the predictor variables have significant impact on organizational commitment statistically and empirical results confirm this. Hence research hypothesis are accepted based on the values of significant R² and thereby the relationship between workplace preference of generation 'Y' and organizational commitment was established. On the basis of VIF values, it is confirmed that there is no multicollinearity.

Findings

The variables in the study were analyzed through mean, standard deviation, ANOVA and linear regression. The hypothesized relationships were tested to answer the objectives of the study. Results of ANOVA showed that the variable like age and siblings established significant differences in the levels of organizational commitment. Further it is inferred from the regression analysis that workplace preferences of generation 'Y' have stronger explanatory power in explaining variance in organizational commitment. Thus, two hypothesis set out for this study were tested and concluded the existence of impact of WPP on organizational commitment on the basis of statistical significance.

Discussion

The empirical findings of the study highlight that all study dimensions of workplace preference significantly predict variance in organizational commitment levels. Good management is one of the dimensions accounted for twenty five percent of total variance in explaining organizational commitment. Martin and Tulgan (2001) describes the generation 'Y' ideal manager as "a knowledgeable adult who jumps in as a team player when needed listens to their ideas, recognizes and mentors them and inspires and motivates them to excel at work". Further it is explained by Kaye and Jordan (2002) that the manager's behavior is a highly important factor affecting employee satisfaction and it is one main reason for improving commitment levels of workforce. Generation Y's ideal manager is nice person who offers support and chance to affect one's own work. In order to accomplish these managers need to be aware of their own behavior. Work environment and organizational conditions are considered as important study dimensions in this study. The environment of workplace is made up of two elements – the physical and the social environment. Martin and Tulgan (2001) points out that generation Y people appreciate open workspace preferably surrounded by nice setting. In addition to their individual workspace Y generation people value to be close to their co-workers and to have common areas where they can discuss work matters with their co-workers. These views are very much echoed in this study. On social environment, several factors are working together to form the social environment viz., the chance to control one's own work, the management climate, how stimulating is the work, the work spirit and the work load. (Jensen, McMullen & Staric, 2007). Generation Y people want to be offered a variety of growth opportunities at their job. An organization can accommodate this by offering various HRM practices for example, training and mentoring. It is pertinent to mention that opportunity at work is considered as yet another important preference of generation 'Y' and it influences the behavior of individuals positively. This particular dimension accounted for nearly 10percent variance in organizational commitment. Kaye et.al. (2002) pointed out that an organization can offer all kinds of developmental opportunities and commonly described the same using the collective name, job enrichment. Job, as a study dimension of WPP, had positive influence on development of organizational commitment. Spector (1997) mentioned that job satisfaction and commitment to organization have been shown to influence an employee's work and relate to organizational performance. More the organization meets the work place expectation of generation 'Y', the chances of corresponding empowerment in the levels of commitment towards organization. This study finding confirms empirically that WPP have statistically proven influencing ability over creation of organizational commitment.

From the examination of Anova results it is found that except two demographic variables i.e age and siblings, all other demographic variables (gender, education, parent qualification,

parent occupation, family income and hometown) emerged as 'non effecting variables' on work place preferences of generation 'Y'. These results suggest that the demographic variables like age and siblings have a role in shaping up work place preferences among generation 'Y'. The organization must give adequate attentions to such factors for empowering chances of attracting personnel from generation 'Y' category.

Conclusion

From the above discussion on the analysis of empirical data, it may be concluded that the process through which commitment is developed may involve self reinforcing cycles of attitude and behaviors that evolve on the job and over a period of time strengthen employee commitment to the organizations. For achieving better levels of commitment to the organizations, understanding workplace preferences of generation 'Y' and designing suitable work organization and HRM practices are essential as this would lead to creation of high performing organization.

Research Limitation

The title of the subtheme limits the analysis as a comparative study of Gen X and Gen Y could have thrown more significant differences.

The time availability was a limiting factor as otherwise a much wider geographical area could have been covered which would enable a much larger sample size.

Implications

The study has far reaching implications as it enables to us to find out the nature, the desirability and willingness of the younger work force which may have a greater impact on the success of an organization as well as in evolving a suitable HRM policies to manage the Gen Y workforce effectively.

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