

Differences in Work Expectations of Generation Y and Generation Z: An Empirical Investigation in Croatia

Sukanya Chareewan[§], Marko Grünhagen*, Nina Pološki Vokić,[‡] and Jasmina Dlačić[†]

Abstract

This study compares Generation Y, the largest generation in the current labor market, and Generation Z, the most recent generation to enter the work force, with respect to their career goals and work expectations in the context of an emerging European market, Croatia. The data for this empirical study were collected through a survey from undergraduate (representing Generation Z) and graduate students (representing Generation Y) from two large state universities in Croatia. A moderating effect of gender upon career goals was found, with females of Generation Y showing significantly higher career goals than males of the same generation. Further, an ill-specified “work expectations” scale from prior literature was improved by narrowing its focus to create a better fitting “expectations of electronic communication at work” scale. The study offers implications for managers and future research.

Keywords: Generation Y, Generation Z, Emerging Market, Work Expectations, Career Goals

[§] Eastern Illinois University, Lumpkin College of Business and Technology, Charleston, IL 61920 U.S.A.; Email: schareewan@eiu.edu

^{*} Eastern Illinois University, Lumpkin College of Business and Technology, Charleston, IL 61920 U.S.A. and University of Rijeka, Croatia; Email: mgrunhagen@eiu.edu; Corresponding Author

[‡] University of Zagreb, Faculty of Economics and Business, 10 000 Zagreb, Croatia; Email: npoloski@efzg.hr

[†] University of Rijeka, Faculty of Economics and Business, 51 000 Rijeka, Croatia; Email: jasmina.dlacic@efri.hr

The authors express their gratitude to Ms. Amanda M. Wetzel and Ms. Andrea M. Peyton for their assistance with this manuscript.

Introduction

This research is in the area of Human Resources Management (HRM) and investigates expectations towards work in a comparison between Generation Y and Generation Z. Ensuring that HRM functions create value to an organization is critical as people issues are a high priority for success in business (Noe et al. 2012). Understanding people may create a competitive advantage for a company on how to recruit and retain employees. Baby Boomers are in the process of retiring, and Generation X and Generation Y are the dominant groups in today's labor market. 53% of American workers are members of the Millennials or Generation Y, in other words Generation Y is currently the largest segment of the labor force (Pew Research Center 2015). Generation Y is about as large as the Baby Boomer generation (Raines 2002). Therefore, a large number of organizations are influenced by Generation Y's characteristics. Currently, Generation Z is entering the labor market. The first Generation Z students started as freshmen in 2013 and have been graduating for the last couple of years (Hope 2016). This study compares Generation Y, the largest generation in the current labor market, and Generation Z, the most recent generation to enter the work force, in regards to their career goals and work expectations.

The sample for this study were students at two large state universities in Croatia. The country is a transitional economy and the newest member of the European Union. Samples from emerging markets are underrepresented in the study of Human Resource phenomena, and this research is an attempt to shed light on this part of the globe.

Literature Review

Hiring the right people is the most significant task of the management of any company (Bradley et al. 2015). Important factors of organizational success are recruiting and retaining the best employees (Zhao 2006). Kubatova (2016) states that the three most important factors that

influence the labor market are the development of a global work environment, the growing of co-working centers, and Generation Z entering the labor market. The objective of this study focuses on how Generation Y's and Generation Z's work expectations differ from each other in order for a company's Human Resource Department to successfully manage the firm's human capital.

Simplifying the specific interrelations of individuals from of a single generation-unit creates the need to gain a clear idea of the generation's structure (Mannheim 1952). Every generation has specific values, needs, and attitudes (Lyons and Kuron 2014). How people communicate and work in the company has been changing rapidly through Information and Communication Technology (ICT) (Cascio and Montealagre 2016).

It is crucial to understand the differences of characteristics, attitudes, and motivations of the most recent generations in the work force as they have been influenced and changed the most through the advent of new technologies over the past two decades. Managing Generation Y and Generation Z in order to serve their interests of knowledge sharing and to satisfy their needs remains an unresolved issue (Bencsik et al. 2016). The two youngest generations have different techniques of communicating and information sharing which may create conflicts and misunderstandings (Dill 2015).

Generations are defined over time as new cohorts are born, and the literature is not unanimous about the beginning and ending of each generation (Luscombe et al. 2012). For example, Scott (2016) outlines that Generation Z encompasses the years 1996-2010, while Koulopoulos and Keldsen (2014) use a range of 1995-2015. Similarly, Kim et al. (2009) identify Generation Y as the individuals born between 1977 and 1994. Despite of the various definitions of generational ranges, one of the most frequently used classifications of generations as outlined by Luscombe et al. (2012) is the one by Bencsik et al. (2016, see Table 1). Hence, this

classification of generations is the one this study will rely on it as well. It defines students born in 1994 and earlier (typically graduate students) as Generation Y, and students born after 1994 (typically undergraduate students) as Generation Z.

Table 1: Timeline of Generations

Generations	Time period
Veteran generation	1925-1946
Baby Boomers	1946-1960
X generation	1960-1980
Y generation	1980-1995
Z generation	1995-2010
Alfa generation	2010 +

Source: Bencsik et al. (2016)

Generation Y

Characteristics

Generation Y is a cohort of individuals born between 1980 and 1995 (Bencsik et al. 2016). Other terms used in the literature to describe Generation Y are Millennials, the Internet or dot.com Generation, Generation Next, Echo Boomers, Generation Net, and the Nexters (Broadbridge et al. 2007a; Martin 2005; Shaw and Fairhurst 2008). Generation X and Baby Boomers are the parents of Generation Y.

Generation Y is the first cohort that was born with digital technology (Bencsik et al. 2016). Millennials were born with the advent of the Walkman and Google, and unsurprisingly they are shaped by technology (Wallop 2014). This generation is *digital native*, and predictably 81% of them are on Facebook (Pew Research Center 2014). One of the specific characteristics of

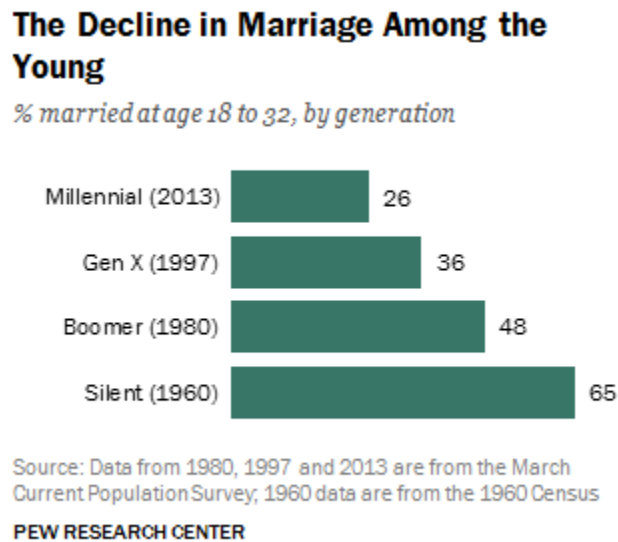
Generation Y is that they are not long term oriented. They want to enjoy themselves in their own world, they easily accept cultural differences and they prefer a quickly changing lifestyle (Krishnan et al. 2012).

Generation Y does not prioritize family as the most important aspect in their lives. Also, traditional values are not as meaningful for this cohort (Bencsik et al. 2016). Vespa (2017) points out that young adults in the United States (i.e. members of Generation Y) start having families later than their parents and believe that they should be economically secure before they settle down. The Pew Research Center (2014) revealed that 69% of unmarried Millennials say that they want to marry but consider it unnecessary. Figure 1 shows the decline in marriage among the young. Regardless of financial responsibilities, Generation Y is the most economically optimistic. Their confidence level of long-term financial prosperity is remarkable (Fry 2015).

Work Expectations

This generation expects to enjoy their work, value equality, fair opportunities, and tolerance (Broadbridge et. al. 2007). Generation Y seeks work-life balance more than Baby Boomers or their parents (Callahan and Greenhaus 2008). They appraise flexible working hours as one of the work-life balance mechanisms (Luscombe et al. 2012). A core work value for Generation Y is freedom (Clarke 2015). However, they want to fulfill themselves and help others through meaningful work (Garlick and Langley 2007).

Figure 1: The Decline in Marriage among the Young



Generation Y is looking for a company that has a mission and values that go beyond simply making money (Ng et al. 2010). Nevertheless, Martin (2005) states that members of Generation Y will leave an organization if they are not able to use their abilities and skills, or if the organization has poor training and development. In contrast, Generation Y is good at team work, and they prefer relationships as crucial in their environment (Noble and Schewe 2003). They will be most productive if managers treat them with respect and provide constant feedback about their performance (Jones et al. 2005). Generation Y, similarly to Generation X, has less commitment to work in comparison to their predecessors (Crampton and Hodge 2011).

On the other hand, Generation Y is more committed to their co-workers and managers than to the organization (Ng et al. 2010). “Working to live” is what Generation Y believes instead of “living to work” which is the belief of previous generations (Crampton and Hodge 2011). Generation Y also puts most importance on the individualistic aspects of a job (Ng et al. 2010). Young employees are independent and they dislike micromanagement (Crampton and Hodge 2011). Nevertheless, this generation appears to be collaborative and is enthusiastic to

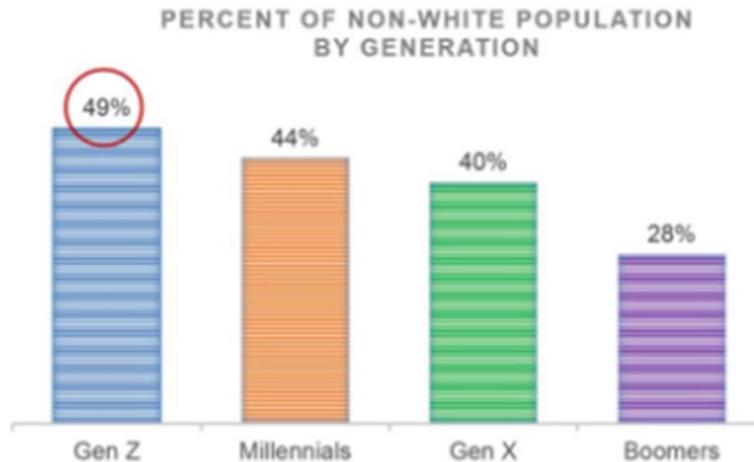
work as a team as long as the manager understands their personalities before assigning them to a group (Josiam et al. 2009).

Generation Z

Characteristics

Generation Z is the cohort following Generation Y or the Millennials. It has also been called Post-Millennials, the iGeneration, or the Homeland Generation (Strauss and Howe 1991). Generation Z is the group of individuals born after the mid-1990s, in other words, from 1995 to 2010 (Bencsik et al. 2016). Basically, this generation has different norms from previous generations. As they were born with technology, they are connected with others through technology at all times and they have FOMO, or a “fear of missing out”. Also, they believe that online information is generally accurate (Hope 2016). Furthermore, they predominantly like to use technologies to find information (Kubatova 2016). Even though they prefer communicating through technology such as email and phone, communication in person is their favorite (Hope, 2016). Generation Z does not want their information to be recorded, thus, anonymous social media platforms such as Secret and Snapchat are preferred (Scott 2016). According to Hope (2016), Generation Z started to attend higher education in 2013, and they represent the most recent addition to the labor market (Kubatova 2016). Dill (2015) notes that Generation Z shall be a larger cohort than the Baby Boomers or Generation Y. Generation Z espouses multiculturalism as the definition of who they are (Scott 2016). Figure 2 shows the percentage of non-white population in the United States in each generation, illustrating that Generation Z is the most diverse cohort.

Figure 2: Percentages of Non-White Population by Generation in the United States



Source: Scott (2016)

Work Expectations

Generation Z desires competencies, in other words they want to be mentored by their supervisor (Kubatova 2016). Having jobs that contribute to changing the world is an essential requirement for this generation (Hope 2016). Volunteerism and giving programs as part of their companies' offerings are attractive to Generation Z (Scott 2016). Hence, they can be expected to be selective in their choice of employer as they believe that these types of programs generate team building (Scott 2016). Generation Z considers colleagues as very important, and collaborating with co-workers is crucial to them (Kubatova 2016). On the other hand, this generation wants to work for themselves and have achievements by themselves (Bencsik et al. 2016).

Differences in Expectations of Generation Y and Generation Z

Generation Y grew up amidst significant world events which shaped their values and expectations, among which are 9/11 (2001) and the ensuing global war against terrorism as well as the economic crisis of 2008 (William 2015). 9/11 was the most important event that

influenced Generation Y, whereas Generation Z is too young to remember 9/11 (Wallop 2014). Thus, Generation Z has generally less awareness of economic struggles than Generation Y.

The parents of Generation Y and Generation Z have different backgrounds as well. As Generation Y’s parents are Baby Boomers, they were raised heavily protected. In contrast, Generation Z’s parents are generally members of Generation X and have raised their children with more realism.

Generation Z was born with technology widely available, creating a generation which craves immediate action, is impatient and moves without much hesitation from one offering to another (Bencsik et al. 2016).

Table 2 shows the popular culture preferences of Generation Y (Millennials) and Generation Z. Generation Y grew up with Facebook (Wallop 2014). Conversely, Generation Z mainly uses Snapchat and Whisper as their social media. Having observed the struggles of Generation Y in their attempts to safeguard their privacy on social media, Generation Z prefers more secretive applications that prevent information from being recorded (Scott 2016). Ultimately, Hope (2016, see Table 3 in the next section) provides an apt overview of the differences between the two generations regarding their attitudes, expectations and use of technology.

Table 2: Popular Culture Preferences of Millennials vs. Generation Z

	Millennials (born 1980-1995)	Generation Z (born 1996-2010)
TV ICON	Hannah Horvath, “Girls”	Alex Dunphy, “Modern Family”
MUSIC	Lady Gaga	Lorde
SOCIAL MEDIA	Facebook	Snapchat, Whisper
WEB STAR	PewDiePie, YouTube	Lele Pons, Vine
STYLE INFLUENCER	Olsen twins	Tavi Gevinson
CLOTHES	American Apparel	Shop Jeen
FIRST GADGET	iPod	iPhone

Source: Wallop (2014)

Generation Y and Generation Z in the Workplace

A review of the literature reveals a significant number of studies that connect the interrelationship of employees' belonging to specific generations and workplace issues. Such studies have investigated coaching of generational cohorts (e.g., Weston 2001), managing multiple generations in the same workplace (e.g., Hannay and Fretwell 2011), as well as issues of age diversity in a corporate context (e.g., Crampton and Hodge 2007), to name a few broader topics. However, no study to date has compared generational expectations with regards to work and career goals, and in particular with the involvement of Generation Z which has just entered the labor market.

The aim of this study was to investigate the expectations of Generation Y and Generation Z in the workplace. Table 3 shows a comparison between Generation Y and Generation Z in the workplace which reveals significant differences that may have major effects on their behaviors at work.

Table 3: Comparison between Generation Y and Generation Z in the Workplace

Generation Y	Generation Z
More optimistic	More realistic
Service-oriented	Social change-oriented
Confident (high sense of self-important)	Confident (self-assured)
“Me” generation	“We” generation
Tech savvy	Tech integration
Facebook to share	Instagram to share
Pre-scheduled learning	On-demand learning
Want to learn something? Google it	Want to learn something? YouTube it

Source: Hope (2016)

While Generation Y is more optimistic, Generation Z might create much more realistic projections into the future. In other words, the outcomes of such forecasts may differ significantly only based on the fact that members of different generations created them. An understanding where these predictions are rooted may prevent a company from unrealistic future expectations. Similarly, Generation Y's emphasis on pre-scheduled learning indicates that Generation Y prefers managers to plan their training and development in advance. However, Generation Z prefers on-demand learning, i.e. they expect to learn what they are interested in. In other words, different expectations for these two generations require adapted strategies by their employers.

Development of Hypotheses

Following Luscombe et al. (2013), this study set out to investigate differences regarding career goals and daily work expectations between Generation Y, the largest generation currently making up the workforce, and Generation Z, the cohort which has just begun to enter the labor market. As outlined above, ample reasons exist for employers to be prepared for a new generation with fundamentally different expectations and attitudes. This study represents a step to increase this understanding.

At the core of this study is the anticipation that Generation Z will have higher expectations than Generation Y from their employers regarding both their career goals and their daily work. In particular, Generation Z's desires regarding the availability and integration of technology, paired with expectations of their employers to support cause-related programs and a socially supportive environment, should be significantly different from those of Generation Y, the current bulk of the labor force. Hence, using Luscombe et al.'s (2013) "work expectations" construct which integrates these mentioned facets, the first hypothesis is formulated:

H1: Generation Z has higher daily work expectations than Generation Y.

Similarly, expectations with regards to career advancement opportunities, meaningful contributions and fair treatment throughout their careers (cf. Luscombe et al. 2013) should be greater for members of Generation Z than those of Generation Y.

H2: Generation Z has higher career goals than Generation Y.

In line with prior research (e.g., Ng et al. 2010), gender differences regarding work expectations and career goals can be expected. For example, it has been shown that female employees may be willing to accept less than ideal jobs than males (Ng et al. 2010). With regards to career opportunities, Ng et al. (2010) also found that females were less likely to look for an employer for whom they could work for their whole career. Hence, it can be expected that gender is a significant moderator of the relationship between the generations and their expectations of work and career, with females being a stronger positive moderator than males.

H3: Gender is a significant moderator of the relationship between (a) Generation Y and (b) Generation Z and daily work expectations, with females enhancing the effect to a greater extent than males.

H4: Gender is a significant moderator of the relationship between (a) Generation Y and (b) Generation Z and career goals, with females enhancing the effect to a greater extent than males.

The desired occupation with regards to the industry in which members of Generation Y and Z anticipate to work can also be expected to create a significant moderating effect. The precarious economic situation in the transitional context of Croatia after the fall of Communism and a brutal civil war has generated a contemporary discourse in Croatian society with regards to employment that is dominated by the dichotomy of employment in the private sector vs. by the

government. This dichotomy has been reflected in academic research in the region as well (e.g., Klopotan, Buntak and Droždek 2015; Nikolic, Rubil and Tomić 2016). Public employment offers a degree of security as private firms are frequently underfunded and on the brink of bankruptcy, while private employers offer higher pay, greater advancement opportunities and flexibility. Employees of private industry would be expected to have greater daily work expectations and career goals than prospective employees of government positions. Private industry positions can be expected to be more demanding and have significantly greater pressures on employees, concurrent with more significant advancement opportunities. In other words, the differences in desired occupations can be expected to create different moderating effects.

H5: Desired occupation is a significant moderator of the relationship between (a) Generation Y and (b) Generation Z and daily work expectations, with desired private industry jobs enhancing the effect to a greater extent than government jobs.

H6: Desired occupation is a significant moderator of the relationship between (a) Generation Y and (b) Generation Z and career goals, with desired private industry jobs enhancing the effect to a greater extent than government jobs.

Finally, the current family financial satisfaction of the prospective employee would be expected to make a difference with respect to daily work expectations and career goals. Croatia as a transitional economy in Southeastern Europe is characterized by the importance of extended family networks and family support, even for adult children (e.g., Spajić-Vrkaš and Ilišin 2005), as well as the frequent pooling of family financial resources (e.g., Bagić, Dobrotić, Lažnjak, Rodik and Vučkovićjuroš 2017). As many households show significant debt levels (e.g., Herceg and Nestić 2015), household financial vulnerability and the overall family's financial situation is an important consideration in university graduates' job search. Depending on how satisfied, as opposed to how unsatisfied, the future employee is with regards to the family's financial status

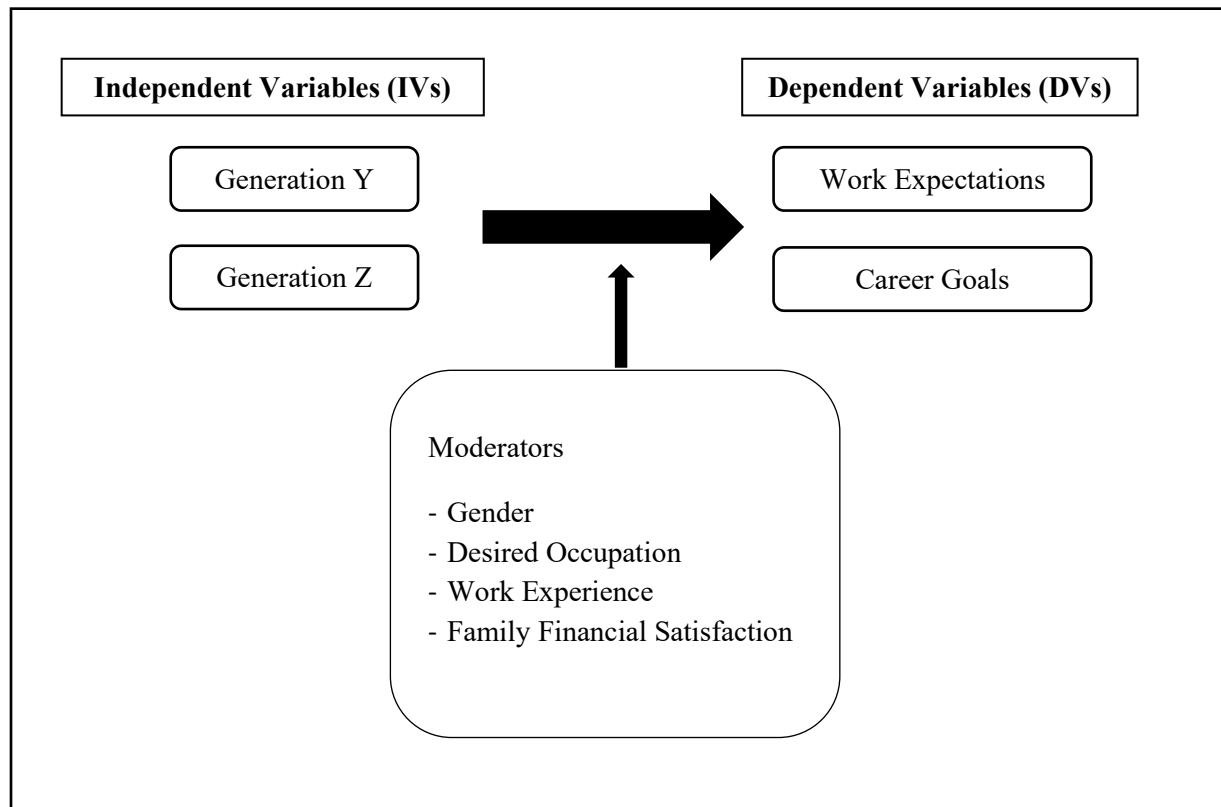
quo, career goals and daily work expectations may be adjusted up or down. In other words, an individual who comes from a financially unsatisfactory family background would have greater expectations regarding daily work as well as overall career goals based on the family's needs than someone who comes from a more stable, satisfactory family financial background.

H7: Family financial satisfaction is a significant moderator of the relationship between (a) Generation Y and (b) Generation Z and daily work expectations, with greater financial dissatisfaction enhancing the effect to a greater extent than financial satisfaction.

H8: Family financial satisfaction is a significant moderator of the relationship between (a) Generation Y and (b) Generation Z and career goals, with greater financial dissatisfaction enhancing the effect to a greater extent than financial satisfaction.

Figure 3 summarizes this study's overall theoretical framework.

Figure 3: Theoretical Framework



Methodology

Instruments and Data Analysis

The scales used in this study were adapted from the literature, specifically from Luscombe et al. (2013) where they had been used before. Tables 11 and 14 further below present the full list of items employed in this research for the two main constructs, career goals and work expectations. The measures used with five-point Likert-type response anchors ranging from Strongly Disagree=1 to Strongly Agree=5. Hence, in each case, larger values indicated greater importance or greater agreement associated with the scale statements.

Paper-and-pencil surveys were distributed without additional incentives on a voluntary basis to the population described below. The surveys contained two main sections. The first section consisted of the scale items, followed by several classification questions in the second section. There were six questions in this section, which asked about gender, age, nationality, desired occupation, work experience, and family financial satisfaction. Completion time for the surveys was approximately 15 minutes. For the analysis, the *SPSS 21.0* statistical software package was employed.

Sample and Data Collection

The sample consisted of undergraduate students, mostly in their second year in college (representing Generation Z) and graduate students (representing Generation Y) from two Croatian higher education state institutions. The surveys were administered to students across various courses and programs of the respective business schools. A total of 333 completed surveys were received, several of which had sections of missing data. Males accounted for 26.9% (n = 89) of the sample for this study, and females made up 73.1% (n = 242). Hence, the majority of respondents were females, reflecting the fact that the number of women participating

in higher education is higher than men (United Nations 2015). Table 4 shows the summary of respondents' gender.

Table 5 displays the respondents' age distribution which ranged from 18 to 26 years old. Most respondents were 19 years of age. Since this study's hypotheses are based on generations, the respondents were grouped into the two different generations. In line with Bencsik et al. (2016), respondents up to 22 years of age were classified as Generation Z, while those who were 22 years old and older were classified as Generation Y. As a result, there were 70.2% of respondents from Generation Z (n = 232) and 29.8% of respondents from Generation Y (n = 97). Figure 4 presents the proportions of respondents from each generation.

Table 4: Respondents' Gender Distribution

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Male	89	15.2	26.9	26.9
Valid Female	242	41.3	73.1	100.0
Valid Total	331	56.5	100.0	

Table 5: Respondents' Age Distribution

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 18.0	8	1.4	2.4	2.4
Valid 19.0	155	26.5	47.1	49.5
Valid 20.0	49	8.4	14.9	64.4
Valid 21.0	19	3.2	5.8	70.2
Valid 22.0	52	8.9	15.8	86.0
Valid 23.0	31	5.3	9.4	95.4
Valid 24.0	8	1.4	2.4	97.9
Valid 25.0	6	1.0	1.8	99.7
Valid 26.0	1	.2	.3	100.0
Valid Total	329	56.1	100.0	

Not surprisingly, 87% of respondents were Croatian students (n = 277) and 13% were students from other countries (n = 41). Thus, the study was dominated by Croatian nationals.

Desired occupation or the industry that respondents are preferred to work for in the future showed that only few of the respondents are looking to work in government, while 86.6% are looking to work in private industry (Table 6).

The last question of the classification section was the level of family financial satisfaction of the respondents. Table 7 shows that the majority of respondents are satisfied with their family’s financial situation.

Table 6: Frequency of Desired Occupation

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Government	31	5.3	13.4	13.4
Private industry	201	34.3	86.6	100.0
Total	232	39.6	100.0	

Table 7: Family Financial Satisfaction Frequency

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1.0	28	4.8	12.2	12.2
2.0	201	34.3	87.8	100.0
Total	229	39.1	100.0	

Item and Scale Analysis

Our starting point for the subsequent analysis was the correlation matrix of the main scales of interest and the moderators used for the hypotheses (Table 8), indicating no significant concern of multicollinearity. While the “career goals” scale had been shown in the original study

by Luscombe et al. (2013) to have strong internal reliability (Cronbach’s alpha = .90), which was replicated in this study (Cronbach’s alpha = .892), the “daily work expectations” scale had only displayed a very marginal Cronbach’s alpha of .560 in the original study. Generally, a Cronbach’s alpha of .7 is considered the minimum threshold for acceptable internal reliability (Nunnally 1978). Therefore, additional items were created in an effort to capture the work expectations domain more comprehensively. Six additional items were included in the survey in an attempt to augment the work expectations domain.

Table 8: Correlation Matrix

	WORKEXPSC	CAREERGSC	GENDER	DESIREDOCC	FINSA
WORKEXPSC	1				
CAREERGSC	0.06983165	1			
GENDER	0.11165946	0.1584598	1		
DESIREDOCC	-0.0023281	0.2162148	0.04051	1	
FINSA	-0.0423939	-0.0229528	0.03891	-0.00933088	1

Table 9 shows the Cronbach’s alpha results for “career goals” construct which had 28 items in total. In this study the “career goals” scale produced a virtually identical internal reliability score ($\alpha = .892$) as in the original study, while producing a more parsimonious scale through the deletion of six items (items 3, 13, 20, 21, 22 and 23 from the original scale) to result in a reduced scale of 22 items with the same Cronbach’s alpha ($\alpha = 0.892$) shown in Table 10.

Table 11 shows the original career goals scale, with the six deleted items marked with *.

Table 9: Reliability Statistics - Original “Career Goals” Scale

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.892	.895	28

Table 10: Reliability Statistics - Revised “Career Goals” Scale

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.892	.893	22

Table 11: “Career Goals” Scale

Item no.	Item
CAREERG1	I need for my work to have meaning and value
CAREERG2	I would prefer to work for an organization where there is collaborative decision making
CAREERG3*	I would prefer to work for an organization where there are fast-track leadership programs
CAREERG4	I would prefer to work for an organization where managers recognize and reward contributions
CAREERG5	I would prefer to work for an organization that has a strong commitment to a charity or similar cause
CAREERG6	I expect organizations to fulfill their promises made to employees about offering rewards for working well
CAREERG7	I would prefer to work for an organization that is socially aware
CAREERG8	I expect organizations to fulfill their promises made to employees during the recruitment process
CAREERG9	I want to enjoy my work
CAREERG10	I want to work for employers who are fair to all employees
CAREERG11	I expect equal opportunities in my career progression
CAREERG12	I will tolerate differences in people I work with
CAREERG13*	I want to live, rather than live to work

CAREERG14	I want to work with a diverse group of people in my career
CAREERG15	I expect the organization to provide opportunities for training and development
CAREERG16	I expect managers to be supportive
CAREERG17	I expect job security
CAREERG18	I expect the organization to set out a clear promotion path for me
CAREERG19	I expect to have good work/life balance options
CAREERG20*	I expect to earn good pay
CAREERG21*	I expect to do challenging work
CAREERG22*	I expect to use my degree in my work
CAREERG23*	I expect the organization to offer flexible hours
CAREERG24	I expect the organization to offer a formal graduate training scheme
CAREERG25	I expect to be involved in decisions regarding my work tasks
CAREERG26	I expect an organization to provide state-of-the-art technology
CAREERG27	I expect an organization to provide a computer
CAREERG28	I want to be able to negotiate my remuneration package with an organization

* deleted items

The “daily work expectations” scale, however, presented a much greater challenge. Not only did it have a much lower internal reliability score to begin with (Table 12) with a Cronbach’s alpha of .560, but upon closer examination the face validity of the items raised concerns about the true domain captured by the items. Since the additional six items that were created in an effort to augment the scale were created with the 'work expectations' domain in mind, they did not provide any additional improvement of the scale's internal reliability

(Cronbach's alpha). In other words, the additional items did not work out. Instead, additional attempts were made to improve the scale through several iterations, and the work expectations scale was ultimately reduced to 5 (as opposed to the original 10) items with a significantly improved and now acceptable Cronbach's alpha ($\alpha = .703$) (Table 13).

Table 12: Reliability Statistics - Original “Daily Work Expectations” Scale

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.560	.545	10

Table 13: Reliability Statistics - Revised “Daily Work Expectations” Scale

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.703	.707	5

The remaining 5 items (Table 14, deleted items marked with *) reflect a much more narrowly defined construct of “expectations about electronic communication at work”. In other words, the former ill-delineated construct showed only marginal internal reliability, and this study accomplished the creation of a more focused and, thus, more internally homogenous scale.

The unidimensionality of the measures was examined through a confirmatory factor analysis (CFA) with a principal components extraction and a Varimax rotation. The CFA confirmed the proposed two factor solution with the items aligning with both the career goals scale and the new expectations about electronic communication at work scale.

Table 14: “Work Expectations” Scale

Item no.	Item
WORKEXP1*	I would prefer to communicate with co-workers face-to-face
WORKEXP2	I would prefer to communicate with co-workers via instant messaging (e.g. Facebook, Line application, WhatsApp)
WORKEXP3	I would prefer to communicate with co-workers via text messaging
WORKEXP4	I would prefer to communicate with co-worker via e-mail
WORKEXP5	I feel more comfortable using technology to communicate with co-workers than face-to-face
WORKEXP6	I feel more comfortable using technology (e-mail, instant messaging, text messaging) to communicate with co-workers rather than via telephone
WORKEXP7*	I expect constant feedback regarding my work
WORKEXP8*	I expect very detailed oriented instructions regarding my work
WORKEXP9*	Money is not everything in my career
WORKEXP10*	I expect to be fast-tracked for promotion

* deleted items

Test of Hypotheses and Results

The tests of the hypotheses were conducted by MANOVA. MANOVA is useful when there are multiple metrically scaled criterion variables (in our case two, namely, “career goals” and “expectations about communication at work”), and more than one categorical predictor variable, in this case Generation Y versus Generation Z. MANOVA also facilitates the investigation of interactions with additional categorical variables, i.e. moderator effects, such as gender, desired occupation, work experience and family financial satisfaction.

The results for the test of the main effects, i.e. H1 and H2, yielded Generation Y’s work expectations’ $M = 3.15$ and $SD = 0.61$ and career goals’ $M = 4.08$ and $SD = 0.46$. The test

indicated no significant differences across both generations with regards to either career goals or expectations of electronic communication at work. Hence, neither H1 nor H2 was supported.

Thus, Generation Z's work expectations are not significantly higher than those of Generation Y, and career goals of Generation Z are not significantly higher than those of Generation Y.

To test H3 through H8, a MANOVA model that included interactions of generation (Y vs. Z) with gender, desired occupation and family financial satisfaction was run in accordance with the procedures outlined by Baron and Kenny (1996).

H3 investigates if gender is a significant moderator of the relationship between Generation Y and Generation Z and daily work expectations, with females enhancing the effect to a greater extent than males. The result shows that gender is not a significant moderator of the relationship between Generation Y and Generation Z and daily work expectations ($p = .636$, $F = .225$), thus rejecting H3.

H4 examines if gender is a significant moderator of the relationship between Generation Y and Generation Z and career goals, with females enhancing the effect to a greater extent than males. The result shows that gender is, indeed, a significant moderator of the relationship between Generation Y and Generation Z and career goals ($p = .008$, $F = 7.239$), thus supporting H4.

H5 inspects if desired occupation is a significant moderator of the relationship between Generation Y and Generation Z and daily work expectations, with desired private industry jobs enhancing the effect to a greater extent than government jobs. The result show that there is no significant relationship between Generation Y and Generation Z and daily work expectations ($p = .388$, $F = 0.751$), thus rejecting H5.

H6 investigates if desired occupation is a significant moderator of the relationship between Generation Y and Generation Z and career goals, with desired private industry jobs enhancing the effect to a greater extent than government jobs. The result show that there is no significant relationship between Generation Y and Generation Z and career goals ($p = .336$, $F = .931$), thus rejecting H6.

H7 examines if family financial satisfaction is a significant moderator of the relationship between Generation Y and Generation Z and daily work expectations, with greater financial dissatisfaction enhancing the effect to a greater extent than financial satisfaction. The result shows that the relationship between these variables is not significant ($p = .462$, $F = .543$), thus rejecting H7.

H8 inspects if family financial satisfaction is a significant moderator of the relationship between Generation Y and Generation Z and career goals, with greater financial dissatisfaction enhancing the effect to a greater extent than financial satisfaction. The result shows no relationship between Generation Y and Generation Z and career goals with family financial satisfaction ($p = .142$, $F = 2.181$), thus rejecting H8.

In sum, based on the analysis, only gender showed a significant interaction with generation, rendering the main effect of generation on career goals and expectations of electronic communication at work also significant.

Upon further examination it was revealed that the moderating effect of gender only affected the career goal construct, with females of Generation Y actually showing significantly higher career goals than males of the same generation. In other words, all hypotheses except for H4 were not supported.

Discussion of Findings

This study investigates differences in work expectations of Generation Y and Generation Z through career goals and daily work expectations perspectives. The study is the first to compare the most recent generation that has just entered the work force to the generation directly preceding it. In the examination of the constructs used in prior literature, this study revealed an ill-specified “work expectations” scale. It improved the scale by narrowing its focus and defined a better fitting scale now titled “expectations of electronic communication at work” which was then used for the rest of the analysis. This new and improved scale is the first contribution of this research.

A second contribution of this study is an improved “career goals” scale that is now significantly more parsimonious than the original scale with an identical Cronbach’s alpha value for internal reliability.

Despite many arguments that would point at differences regarding the two investigated constructs, only one hypothesis was supported. Only the moderating effect of gender affecting the career goal construct was found to be valid, with females of Generation Y showing significantly higher career goals than males of the same generation. This was in line with expectations and is the third contribution of this research.

For managers in Human Resource Departments this finding shows that different recruiting strategies for females compared to males of Generation Y should be utilized. In job postings and interviews, and during the early career stages, it will be important for managers to present and develop greater expectations for females of Generation Y in order to motivate them compared to their male counterparts, so that their goals and expectations for career development

are matched. If managers do not do this, they risk losing female employees at a higher percentage than male employees, and as a consequence create less diversity in the workplace.

Members of Generation Y and Generation Z will eventually work side by side in the same work place, so that an understanding of each other's expectations, goals and backgrounds will be vital to their successful collaboration at work. Members of both generations would be strongly advised to gain a deeper understanding of their differences, and this study may be a first tool to assist them. In addition, companies and HR departments should begin the creation of workshops and learning modules to instruct and educate their workforces about generational differences to bridge some of the misconceptions that may exist, and to prevent misunderstandings that may escalate to more significant intra-organizational problems in the future. After all, it should be the goal of any organization to be proactive in the avoidance of conflict before it arises.

Limitations and Future Research

This study was conducted with university business students, which is appropriate as they are entering the job market and should have expectations about their future jobs and careers. However, few differences between the two generations were found. One limitation of this study is that "generations don't abruptly start and end" (Hope 2016, 1). Using a sample of students that are only two or three years apart may not have been sufficient. Dates chosen for the start and end of generational boundaries are arbitrary (Hope 2016), and a sample of future employees whose ages are farther apart may have created more significant results. Further, surveying only business students may have unduly limited the generalizability of this study's findings. These issues need to be addressed in the future as more members of Generation Z across the entire spectrum of educational backgrounds and professions are entering the labor force.

Future studies should also use non-student samples of future employees, such as unemployed people, or people that are trying to change jobs, to investigate their work and career expectations. Using more diverse samples that are not only student-based would create a more realistic picture of true diversity of employees in the work force.

Studies that utilize student samples often suffer from common method bias (e.g., MacKenzie and Podsakoff 2012), and this investigation is no exception in this regard. As there was no other secondary data source available for the respondent-specific data we gathered, in particular in regards to Generation Z that is just entering the workplace, a lingering question remains as to any bias introduced by the single source of the data. Future studies ought to broaden the data collection scope and attempt to gather information from multiple sources.

Finally, the sample in this study originated in a transitional economy, Croatia. Maybe work and career expectations are fundamentally different from students in more developed markets, where more opportunities exist, and expectations may be higher overall. In the future, studies ought to be conducted in more developed markets to see if additional differences between the generations exist. In developed countries, members of both generations come to the labor market with a different “arsenal” of technological expertise. Further, their parents, siblings and older friends may instill expectations in them with regards to what to expect in a corporate environment that is vastly different from anticipations nurtured in transitional economies. For example, social change programs are much more common in organizations in developed countries than in emerging markets. Similarly, the large developed markets of the “West” are largely service-based, while many transitional economies are still mostly manufacturing and even agriculture based, so that norms relating to service are presumably quite different. In other words, even employees of the same generations may still be different, depending on their

upbringing in different economies. An understanding of these varying expectations are critical for employers in the respective economies. However, of even greater importance is an understanding of these complexities in today's global economy with ever larger multinational corporations and their multi-cultural labor forces. Managing a large number of employees who hail from different parts of the world, developed as well as developing and transitional, presents one of the most significant challenges for HR professionals in the future. This study aimed to provide a first step towards a greater comprehension of these issues.

References

- Baron, R., and Kenny, D. 1986. "The moderator-mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations", *Journal of Personality and Social Psychology*, Vol. 51, pp. 1173-1182.
- Bagić, D., Dobrotić, I., Lažnjak, J., Rodik, P. and Vučkovićjuroš, T. 2017. "Coping Strategies of Economically (Partially) Inactive Households: The Case of Croatia", *Südosteuropa* Vol. 65 No. 3 pp. 542-564.
- Bencsik, A., Horvath-Csikos, G. and Juhasz, T. 2016. "Y and Z Generations at Workplaces", *Journal of Competitiveness*, Vol. 8 No. 3, pp. 90-106.
- Bradley, S., Madnick, S. and Kim, C. 2015. *Digital Business*, Chicago Business Press, Chicago, IL.
- Broadbridge, A.M., Maxwell, G.A. and Ogden, S.M. 2007. "Experiences, perceptions and expectations of retail employment for Generation Y", *Career Development International*, Vol. 12 No. 6, pp. 523-544.
- Callahan, G.A. and Greenhaus, J.H. 2008. "The baby boom generation and career management: A call to action", *Advances in Developing Human Resources*, Vol. 10 No. 1, pp. 70-85.
- Cascio, W.F. and Montealegre, R. 2016. "How technology is changing work and organizations", *Annual Review of Organizational Psychology and Organizational Behavior*, Vol. 3, pp. 349-375.
- Clarke, M. 2015. "Dual careers: the new norm for Gen Y professionals?", *Career Development International*, Vol. 20, No. 6, pp. 562-582.
- Crampton, S.M. and Hodge, J.W. 2007. "Generations in the workplace: Understanding age diversity", *The Business Review*, Vol. 9 No. 1, pp. 16-22.
- Crampton, S.M. and Hodge, J.W. 2011. "Generation Y: uncharted territory", *Journal of Business & Economics Research*, Vol. 7 No. 4.
- Dill, K. 2015. "7 Things Employers Should Know About The Gen Z Workforce", available at: <https://www.forbes.com/sites/kathryndill/2015/11/06/7-things-employers-should-know-about-the-gen-z-workforce/#157c9744fad7> (accessed 8 May 2017).
- Fry, R. 2015. "Millennials surpass Gen Xers as the largest generation in U.S. labor force", available at: <http://www.pewresearch.org/fact-tank/2015/05/11/millennials-surpass-gen-xers-as-the-largest-generation-in-u-s-labor-force/> (accessed 8 May 2017).
- Garlick, R. and Langley, K. 2007. "Reaching Gen Y on both sides of the cash register", *Retail Issues Lett*, Vo. 18 No. 2, pp. 1-6.

- Hannay, M. and Fretwell, C. 2011. "The higher education workplace: Meeting the needs of multiple generations", *Research in Higher Education Journal*, Vol. 10, pp. 1-12.
- Herceg, I. and Nestić, D. 2014. "A New Cluster-Based Financial Vulnerability Indicator and Its Application to Household Stress Testing in Croatia", *Emerging Markets Finance and Trade*, Vol. 50 No. 5, pp. 60-77.
- Hope, J. 2016. "Get your campus ready for Generation Z", *Student Affairs Today*, Vol. 19 No. 7, pp. 1, 6-7.
- Jones, E., Brown, S.P., Zoltners, A.A. and Weitz, B.A. 2005. "The changing environment of selling and sales management", *Journal of Personal Selling & Sales Management*, Vol. 25 No. 2, pp. 105-111.
- Josiam, B.M., Crutsinger, C., Reynolds, J.S., Dotter, T.V., Thozhur, S., Baum, T. and Devine, F.G. 2009. "An empirical study of the work attitudes of generation Y college students in the USA: The case of hospitality and merchandising undergraduate majors", *Journal of Services Research*, Vol. 9 No. 1, pp. 5-30.
- Kim, H., Knight, D. and Crutsinger, C. 2009. "Generation Y employees' retail work experience: The mediating effect of job characteristics", *Journal of Business Research*, Vol. 62 No. 5, pp. 548-556.
- Klopotan, I., Buntak, K. and Droždek, I. 2015. "Employee Loyalty: Differences between Gender and the Public and the Private Sector", *Interdisciplinary Description of Complex Systems*, Vol. 14 No. 3, pp. 303-313.
- Krishnan, S.K., Bopaiah, S., Bajaj, D. and Prasad, R. 2012. "Organization, Generation, and Communication—Infosys Experience", *NHRD Journal*, pp. 85-93.
- Kubátová, J. 2016. "Work-Related Attitudes of Czech Generation Z: International Comparison", *Central European Business Review*, Vol. 5 No. 4, pp. 61-70.
- Koulopoulos, T. and Keldsen, D. 2014. *Generation Z Effect: The Six Forces Shaping the Future of Business*, Bibliomotion, New York, NY.
- Luscombe, J., Lewis, I. and Biggs, H. C. 2013. "Essential elements for recruitment and retention: Generation Y", *Education + Training*, Vol. 55 No. 3, pp. 272-290.
- Lyons, S. and Kuron, L. 2014. "Generation differences in the workplace: A review of the evidence and directions for future research", *Journal of Organizational Behavior*, Vol. 35 No. 1, pp. 139-157.

- MacKenzie, S.B. and Podsakoff, P.M. 2012. "Common Method Bias in Marketing: Causes, Mechanisms, and Procedural Remedies", *Journal of Retailing*, Vol. 88 No. 4, pp. 542-555.
- Martin, C.A. 2005. "From high maintenance to high productivity: What managers need to know about Generation Y", *Industrial and commercial training*, Vol. 37 No. 1, pp. 39-44.
- Mannheim, K. 1970. "The problem of generations", *Psychoanalytic Review*, Vol. 57 No. 3, pp. 378.
- Ng, E., Schweitzer, L. and Lyons, S. 2010. "New Generation, Great Expectations: A Field Study of the Millennial Generation", *Journal of Business Psychology*, Vol. 25 No. 2, pp. 281-292.
- Nikolic, J., Rubil, I. and Tomic, I. 2016. "Pre-crisis reforms, austerity measures and the public-private wage gap in two emerging economies", *Economic Systems*, available at: http://eprints.lse.ac.uk/69612/1/Nikolic_Pre%20crisis%20reforms%2C%20austerity%20measures_author_2017.pdf
- Noble, S.M. and Schewe, C.D. 2003. "Cohort segmentation: An exploration of its validity", *Journal of Business Research*, Vol. 56 No. 12, pp. 979-987.
- Noe, R.A., Hollenbeck, J.R., Gerhart, B. and Wright, P.M. 2012. *Human Resource Management: Gaining a Competitive Advantage*, McGraw-Hill, New York, NY.
- Nunnally, J. C. 1978. *Psychometric theory*, McGraw-Hill, New York, NY.
- Pew Research Center. 2014. "Millennials in Adulthood" available at: <http://www.pewsocialtrends.org/2014/03/07/millennials-in-adulthood> (accessed 8 May 2017).
- Raines, C. 2002. "Managing millennials", available at: http://s3.amazonaws.com/academia.edu.documents/37984890/9_-_managing_millennials.pdf?AWSAccessKeyId=AKIAIWOWYYGZ2Y53UL3A&Expires=1498684797&Signature=NFIUqyGt52boUzR6pO%2Bgm1Vdixc%3D&response-content-disposition=inline%3B%20filename%3DManaging_Millennials.pdf (accessed 6 May 2017).
- Scott, R. 2016. "Get Ready For Generation Z", available at: <https://www.forbes.com/sites/causeintegration/2016/11/28/get-ready-for-generation-z/#6dd8af7e2204> (accessed 9 May 2017).
- Shaw, S. and Fairhurst, D. 2008. "Engaging a new generation of graduates", *Education+ Training*, Vol. 50 No. 5, pp. 366-378.
- Spajić-Vrkaš, V. and Ilišin, V. 2005. "Youth in Croatia", Faculty of Humanities and Social Sciences University of Zagreb, Research and Training Centre for Human Rights and Democratic Citizenship, Zagreb, available at: <http://idiprints.knjiznica.idi.hr/622/>

Strauss, W., and Howe, N. 1991. *Generations*, William Morris and Company, New York, NY.

United Nations. 2015. *The World's Women 2015: Trends and Statistics*, United Nations, Department of Economic and Social Affairs, Statistics Division, New York, NY.

Vespa, J. 2017. "The Changing Economics and Demographics of Young Adulthood: 1975-2016", available at:
<https://www.census.gov/content/dam/Census/library/publications/2017/demo/p20-579.pdf> (accessed 6 May 2017).

Wallop, H. 2014. "Gen Z, Gen Y, Baby boomers- a guide to the generations", available at:
<http://www.telegraph.co.uk/news/features/11002767/Gen-Z-Gen-Y-baby-boomers-a-guide-to-the-generations.html> (accessed 8 May 2017).

Weston, M. 2001. "Coaching generations in the workplace", *Nursing Administration Quarterly*, Vol. 25 No. 2, pp. 11-21.

William, A. 2015. "Move Over, Millennials, Here Comes Generation Z", available at:
https://www.nytimes.com/2015/09/20/fashion/move-over-millennials-here-comes-generation-z.html?_r=0 (accessed 8 May 2017).

Zhao, H. 2006. "Expectations of recruiters and applicants in large cities of China", *Journal of Managerial Psychology*, Vol. 21 No. 5, pp. 459-475.