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# 'We aren't your reincarnation!' Workplace motivation across X, Y and Z generations

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# Abstract

**Purpose** - The primary purpose of this research is to examine generational differences in valuing the sources of employees' overall motivation in the workplace across Generation X, Generation Y and Generation Z with a view of assisting managers in making employment decisions and maintaining multigenerational staff.

**Design/methodology/approach** – The respondents in the study live and work in Canada and provided answers to self-administered online surveys between the fourth quarter of 2017 and the end of January 2020. To assess subjects' work motivation, the study employed the Gagné *et al.*'s (2014) Multidimensional Work Motivational Scale (MWMS) alongside a 3-item measure of employees' overall motivation (designed for this study). We assessed measures of validity and reliability and tested the hypothesis about generational differences in work motivation using structural equation modelling (SEM).

**Findings** – The six motivators regress differently to employees' overall motivation. Generation Z is more sensitive to Amotivation than Generation X and Generation Y. Extrinsic regulationmaterial is a valid source of overall work motivation for Generation Z only. Only Generation X values extrinsic regulation-social as a source of employees' overall motivation. So is Introjected Regulation by Generation Y. Unlike Generation Z, both Generation X and Generation Y employees value Identified Regulation as a source of overall work motivation. Finally, Intrinsic Motivation contributes more to Generation Z employees' overall work motivation than it does for Generation X and Generation Y. Research limitations/implications - Further work needs to be done to establish whether variations in valuing the sources of motivation may also be spawned by age or status of the respective groups. Future investigations can expand our focal theme to include additional organisational outcomes, alternative geographical settings and/or include the country's economic development as an additional variable. Moreover, further research can address the implications of national culture on shaping generational differences in employee's motivation as well as aiding companies to redesign work tasks considering today's uncertainty as well as increasingly competitive, global environment (e.g., the rise of Artificial Intelligence).

**Practical implications** - It is vital to offer motivators that are valued by each of the three generations, i.e., X, Y and Z, before being able to attract the best candidates of each generation. Organisations should not only create an inclusive and understanding multi-generational working environment but also be able to communicate strong branding via new communications channels successfully (e.g., social media networks) which Generation Yers and Generation Zers utilise better than any other generation in employment. Finally, we suggest that service organisations with diverse generational composition, adopt new measures of workplace agility to survive interminable disruptions (e.g., the Covid-19 pandemic).

**Originality/value -** This is the first study of its kind to examine generational differences between Generation X, Generation Y and Generation Z in valuing workplace motivation from a western cultural perspective.

**Keywords:** Generational differences; Self-determination theory; Motivation; Generation X; Generation Y; Generation Z; Covid-19.

#### Introduction

Global labour sourcing is becoming increasingly competitive, and the multi-generational nature of human resources recruitment and retention presents a significant challenge for corporate leadership. Given that this paper addresses workplace motivation, we focus upon the three newest generations commonly identified in demographic literature – Generation X (1965-1981), Generation Y (1982-1999) and Generation Z (2000-2012). Importantly, the concept of "Generation" is utilised both as an approach for grouping age cohorts, defined as groups of people born in a similar time, as well as for analysis for tracking people on a range of issues, behaviours, and characteristics. According to Pew Research Center (2015), while setting the age boundaries of generations is a necessary step for generational analysis, the lines that define the generations should be thought of as guidelines, rather than hard-and-fast distinctions.

There are fundamental differences across generations in the way age groups connect events, people, and experiences. According to Twenge *et al.* (2010), people belonging to the same generation share and experience similar historical, social, and cultural events, which influence the development of their attitudes and values. Schullery (2013) highlights that each generational group has different values and characteristics that exert a direct impact on attitudes and behaviours. As a result, employers need to detect and understand the generational difference, which may predict motivation to perform on the job. Importantly, employers seek intra-generational cooperation because different generational employee cohorts must communicate, engage with one another, and collaboratively work together to achieve overall organisational goals successfully. Accordingly, if employees are not motivated to perform their tasks, this will significantly affect the development and success of an organisation (Mahmoud and Reisel, 2014). This is particularly important in service settings where employee's attitudes and behaviours are visible and directly linked to the customer (internal or external) outcomes via interactions with employees (Pugh, 2001). With their retirement from the workforce at record levels, Baby boomer generation offers younger generations an excellent opportunity to have more impact on the workplace.

Nevertheless, many employers struggle to understand and cater to the needs and working styles of various generations (Bennett *et al.*, 2017). Gursoy *et al.* (2008, p. 448) report that Generation Y, differ significantly from earlier generational cohorts in terms of their "worldviews, attitudes towards authority and perspectives on work". Besides, Gursoy *et al.* (2008) assert that more employers recognise the importance of understanding the diverse characteristics and preferences of each generation. When employers can understand an employee's needs and respond appropriately to each generation's perspective, organisations benefit via increased employees' productivity, morale, and employee retention. Therefore, organisations need to work continuously on changing organisational practices to adapt to the diverse nature of the multigenerational workforce. For service organisations, in particular, creating a quality internal working environment is necessary in order to drive employee satisfaction (Schlager *et al.*, 2011), which in turn leads to improved retention and productivity resulting in better service value (as per service profit chain concept), ultimately boosting customer satisfaction and loyalty (Heskett *et al.*, 1994).

Generation Y is often thought to find it motivating to have the opportunity for employee development, promoting authenticity and transparency, focusing on work-life balance. Despite such evidence of shifting organisational needs among generations of workers, there are studies which have found no significant differences in terms of motivation between the various generations. For example, Wong *et al.* (2008) state that the generation gap may not be as significant as previously thought. They report that employees across generations have similar values and therefore seek the same things in the workplace.

#### International Journal of Manpower

Human resource experts, managers and scholars are gradually developing expertise on how to manage and work with people from different generations in the workplace. Scholarly interest in this subject of workplace motivation has led to the postulation that generations, fundamentally, have different objectives, desires and work esteems (Cennamo *et al.*, 2008). Further, it is valuable to understand workplace motivation variations amongst different generations of employees (Cennamo *et al.*, 2008).

This study evaluates data collected in Canada, where it is estimated that over 79 per cent of workers are employed in the services sector (World Bank, 2019). We are therefore interested in the motivational factors of service sector employees mainly as they apply to multiple generations. The purpose of this research is to test differences in the theoretical motivation factors between Gen X, Gen Y and Gen Z of employees working in service organisations in Canada. The goal is to provide evidence for managers to guide practical decision-making in handling generational differences in employee motivation, as we wish to examine if each generation has a different set of values, preferences, attitudes, and communication styles. Understanding these potential differences and balancing the needs of many distinct age groups can be a challenging obligation to many employers, especially those labelled as ethically responsible (Weeks and Schaffert, 2017). We seek to identify the generational differences, which may suggest how firms might modify managerial tactics to motivate employees best. The identification of generational differences will allow leaders to handle difficulties in successfully managing the multigenerational workforce. Thus, the primary objective of this scholarly work is to examine the role of the workplace sources of motivation in predicting employees' overall motivation and assess the path equivalency of that hypothetical model between three generations based on Canadian workers engaged in service jobs.

#### Literature review and hypotheses

## Motivation and Underlying Theory

Pritchard and Ashwood (2008, p.6) define motivation as the "process used to allocate energy to maximise the satisfaction of needs." Motivation generates a desire within an employee to dedicate their abilities to performance. Thus, a motivated employee will try to accomplish a work-related goal. It is essential for employers to understand the importance of employee motivation, as the success of any organisation depends on employees' performance (Govindarajulu and Daily, 2004). There are many benefits of having motivated employees, including workforce stability (e.g., Imran *et al.*, 2017), better team coordination (e.g., Gagné *et al.*, 2014), increases in employee efficiency (e.g., Tudorache, 2013) and employee satisfaction (e.g., Mahmoud and Reisel, 2014), as well as, improvements in human capital management (e.g., Rusu and Avasilcai, 2013).

In a service context, employee workplace motivation is essential to achieving high levels of customer satisfaction, since motivated employees will seek ways to enhance service and customer satisfaction. Moreover, companies gain from highly motivated employees working towards common goals (Sørensen and Sorensen, 2002). According to Gagné and Deci (2005), motivated employees believe that their efforts will result in outcomes that are meaningful to themselves and their organisation. Tyler and Blader (2003) indicate that employee motivation reflects the pride, standing, and identification a worker has with their organisation, which ultimately affects their motivation to cooperate and work towards organisational goals. Accordingly, while employee satisfaction represents a critical component for the organisation, its downstream effects on market orientation, customer response, and financial performance are indirect; that is, mediated through employee motivation (e.g., Mohr-Jackson, 1991; Oakley, 2012).

Page 7 of 36

The literature on motivation has presented both process or content theories, focusing on either explaining the motivation process or describing an individual's internal characteristics, respectively. Two notable content theories developed to explain motivation are the Maslow's Hierarchy of Needs, and the two-factor theory from Herzberg (Pritchard and Ashwood, 2008; Twenge et al., 2010; Baldonado, 2013). Another theory of motivation developed by Ryan and Deci (2000) explores the self-determination theory (SDT). SDT provides a multidimensional conceptualisation of motivation using a self-determination continuum in which individual's autonomy shifts from minimally present in a state of amotivation, to the maximum state of selfdetermination where intrinsic motivation is present. Unlike the other motivation theories, SDT can be employed to identify a range of motivations and their various outcomes. SDT theory posits that motivation can be either encouraged or discouraged. The logic of SDT theory is that motivation consists of three main types that occur on a self-determination scale of regulatory styles (Niemiec et al., 2006). These are amotivation, intrinsic motivation, and extrinsic motivation. Motivation operates through a set of regulatory styles which are amotivation, external regulation, introjected regulation, identified regulation, and intrinsic regulation. They vary from the greatest selfdetermined and autonomous form of motivation (intrinsic) to the least self-determined and controlled form of motivation (external). Gagné et al. (2014) assert that three essential psychological needs of competence, autonomy, and relatedness are vital for enabling the highest performance in individuals. The need for autonomy refers to an individual's desire to make their own choices and actions and to freely express their opinions (Ryan and Deci, 2017). The need for competence is defined as an individual's desire to influence the environment and to attain desired results (Ryan and Deci, 2000). The need for relatedness is described as an individual's desire to create equally helpful bonds and positive alliances with others (Ryan and Deci, 2000).

Like other motivation theories, SDT converges on the idea that individuals can be amotivated or motivated. Amotivated individuals may have difficulty answering a question such as why they want to be employed, as they lack the longing and determination to work. In contrast, motivated individuals easily answer the same question as they identify with a clear purpose of their employment. Motivated individuals experience both intrinsic motivation and extrinsic motivation.

*Intrinsic motivation* is defined as a state where individuals are willing to complete an activity because they consider the activity exciting and pleasurable (Ryan and Deci, 2017). When individuals are intrinsically motivated, they are motivated by self-satisfaction, and thus, are driven to perform according to organisational requirements. Motivated employees meet challenges without the need for additional compensation or recognition, personal gain, or other types of benefits. Intrinsic motivation fosters meaningful relationships, personal growth, and making contributions, as those provide a higher level of contentment. Ryan and Deci (2000) found that when a person is intrinsically motivated, they are driven to perform for their own pleasure and enjoyment instead of being induced by external pressures, demands, and rewards. Ryan and Deci (2000) propose that the fulfilment of three basic psychological needs of competence, relatedness, and autonomy is characteristic of intrinsic motivation. This suggests that an intrinsically motivated individual is psychologically stable and content with performing their tasks and challenges.

*Extrinsic motivation* refers to societal values and expectations, which include such attributes as money and popularity. When an individual is extrinsically motivated, they perform tasks and challenges to receive rewards or acknowledgement (extrinsic motivation—material or extrinsic motivation—social). Ryan and Deci (2000) describe extrinsic motivation as a state where individuals expect to achieve a specific outcome for their behaviours. However, being extrinsically driven is less enduring compared to being intrinsically driven. Extrinsic motivation is further

categorised into a scale of external regulation, introjected motivation and identified motivation (Gagné *et al.*, 2014). External regulation occurs when external demands, benefits and rewards motivate individuals. Introjected regulation is characterised as a controlled form of rule, whereby individuals perform their tasks or activities to prevent internally compulsory guilt, anxiety or to enhance self-esteem. Identified regulation is more autonomous than introjected regulation as individuals purposefully value a behavioural regulation and accept it as their own Ryan and Deci (2000).

*Amotivation* is defined as a state in which individuals do not connect the outcome of their behaviour as being related to their initial behaviour. Amotivation refers to the absence of both intrinsic and extrinsic motivation and represents a complete lack of self-determination and volition concerning the target behaviour (Ryan and Deci, 2000). Further, Ryan and Deci (2000) argued that amotivation stems from lack of need satisfaction. It is described as the lack of motivation in performing actions, and amotivated individuals are neither extrinsically nor intrinsically driven. Amotivated individuals are apathetic in their behaviour towards an activity (Imran *et al.*, 2017). Finally, amotivation is measured to be the lowest level of autonomy (Gagné *et al.*, 2014).

## *Generational blend in the workplace*

With their retirement from the workforce at record levels, the Baby Boomer generation is offering younger generations an excellent opportunity to have more impact on the workplace (Flippin, 2017b). Dissimilar to their Boomer bosses who were susceptible to working too hard, Generation X members seek a work-life balance, making sure they have enough time to devote to their family. Generation X, who constitute many of the parents of the Generation Zers, is now becoming senior members of the workforce as Baby Boomers retire (Seemiller and Grace, 2019). Generation X is

not technological novices because of many Generation Xers exhibit similar behaviour to younger generations in their use of social media and smartphones.

Generation Xers tend to have different communication preferences from those of younger generations. For example, Generation Zers do not prefer the use of e-mail to communicate in the workplace. They are more interested in texting (Seemiller and Grace, 2019), which is not ideal for Generation X. Generation X is defined as self-directed, sceptical and autonomous, born during the time of rapid change. They are looking for work-life balance, not impressed by authority and micromanagement (Waltz *et al.*, 2020).

According to StatCan (2019), Generation Y is becoming the largest generation of the Canadian workforce (Generation Y surpassed all other generational cohorts for the first time in 2015, accounting for almost 37 per cent of the Canadian workforce). Generation Y are the offspring of Baby Boomers and early Generation X. Compared to the older generations, both Generation Yers and Generation Zers are digital natives. They are familiar with internet content and find technology as an essential part of their daily lives (Lebowitz, 2018). Further, Generation Y is often considered confident, connected, and adaptable (Taylor and Keeter, 2010).

Generation Z represents the youngest generation of employees who are entering the workforce with higher numbers every year. Their technology use and interest in flexible working hours are almost identical to Generation Y at work (Ryback, 2016). Generation Z employees understand the value of financial stability and recognise the joy of performing well at work. However, they baulk at the sacrifice of their lives on the shrine of succeeding at work (Flippin, 2017a). Both Generation Y and Generation Z are deemed to be more ethnically diverse than any previous generation (Bannon *et al.*, 2011; Flippin, 2017a; b).

Page 11 of 36

We argue that it is crucial to understand generational differences in the workplace as they may lead to conflict and low engagement amongst employees and management. Nevertheless, if the generational differences are managed successfully, it will create a positive work culture and improve employee engagement and motivation. By examining what motivates Generation X, Generation Y and Generation Z in the service industry within the Canadian setting, we extend our existing knowledge on workplace motivation. For instance, when recruiting a younger generation like Generation Y or Generation Z, employers should provide a supportive environment with clear structures and unambiguous reward and development indicators (Baum, 2019). Generation Y also seek a work-life balance that prospective employers must ensure before the recruiting process. A useful strategy suggested by Baum (2019) when employing Generation Y, is to give them a 'voice' by engaging them in work-related conversation. Employers should engage in learning what Generation Yers and Generation Zers want from work, how the job can complement their lifestyles, and be ready to determine how to make the relationship work flexibly. Whilst scholars found that Generation Zers and Generation Yers share common characteristics, mainly related to their ability to relate to a global world and use the latest technologies (Wood, 2013), evidence exists that Generation Zers have an even more significant potential to multi-task while being more productive (Ozkan and Solmaz, 2015).

Drawing on previous studies related to motivational factors across generations, and the motivation factor structure proposed by Gagné *et al.* (2014), we posit:

H1: The paths from Multidimensional Work Motivational Scale (MWMS) dimensions to employees' overall work motivation are valid but not invariant across Generation X, Generation

Y and Generation Z.

#### Methods:

#### **Participants**

An online survey was distributed in the fourth quarter of 2017 through the end of January of 2020. A link to a self-administered questionnaire was distributed via a professional social network invitation (i.e., LinkedIn) in the first instance to 600 participants working in various service industries in Canada in line with similar studies (e.g., Dettmers and Biemelt, 2018). The respondents' position in their organisation was captured via one question in the survey. This study determined the number of the invitations based on the unknown population size of the intended participants with accounts on LinkedIn as well as consideration of previous related research (Hill, 1998; Hair *et al.*, 2010) and finally, the minimisation of potential low response rates. The filters were set to list members who worked in Canada. Having filtered search results, we selected one participant for every three counts. Only employees of the Canadian service sectors were included as respondents. As a new generation (i.e., Gen Z) was entering the job market at the time of the study; we got onto another phase of data collection using non-probability sampling approach and the same survey. We did that in order to have substantial numbers of respondents from each generational group, i.e., Gen X, Gen Y and Gen Z. The second phase of data collection continued to use LinkedIn but alongside other venues (e.g., via HR departments at the respondents' workplaces).

In the second phase, we reached out to 1,500 individuals. However, in both phases, all participants were informed of the purpose and procedures of the study. They were permitted to ask questions, raise survey concerns or withdraw from the study at any time. Consent to participate in the study was part of the survey sent to the participants, and because the survey was conducted online, no participant signature was obtained. The survey responses were anonymous, and all

participants were assured of the confidentiality of their responses. The survey took approximately 10 minutes to complete.

All in all, we received 1,387 responses, yielding a response rate of approximately 66 per cent. However, we had the baby boomers and traditionalists responses filtered out. Thus, the final sample comprised of 1,349 responses that were used in analyses. Our final sample consisted of Generation X (34 per cent), Generation Y (35 per cent) and Generation Z (31 per cent). The majority of the respondents were female (57 per cent) and educated to an undergraduate tertiary level (e.g., community college or university bachelor's degrees) (50 per cent). Figure 1 shows plots of the constructs mean patterns across three generational groups. Interestingly, employees' overall motivation demonstrates a declining trend as we progress with generations from Generation X to Generation Z via Generation Y (older to younger).

## Instrument and procedure

The study used the Multidimensional Work Motivational Scale (MWMS) designed by Gagné *et al.* (2014) to measure work motivation dimensions. Additionally, we designed a 3-item unidimensional scale to measure overall employee motivation comprised of the following items: "Overall, I feel motivated to do my job," "Overall, doing my job is such a source of inspiration for me," and "Overall, I feel determined to do my job." This provided findings to which specific motivational factors each generation under investigation valued in the service industry. We assessed the validity and reliability of our employee's motivation measure, and it returned values that proved it to be of sufficient validity and reliability, i.e., AVE = .746 > .5; CR = .898. The Multidimensional Work Motivational Scale (MWMS) was modelled after the self-determination

theory by Ryan and Deci (2000). The MWMS is a 19-item scale that measures three different types of motivation: extrinsic, intrinsic, and amotivation. The scale is comprised of six subscales (i.e., Amotivation, Extrinsic Regulation-Social, Extrinsic Regulation-Material, Introjected Regulation, Identified Regulation, Intrinsic Motivation) containing three to four items each. Participants responded to the question "Why do you or would you put efforts into your current job" by assessing their level of agreement with each item using a 7-point Likert scale (1 = does not correspond at)all, to 7 = corresponds completely). We also ran a confirmatory factor analysis (CFA) along with testing for convergent validity using the average variance extracted (AVE) as well as composite reliability alphas (CR). As a result, four items (i.e., AM02, Ext Mat03, Intrin03 and Introj03) were dropped from the analysis. We did that to fix collinearity and to improve the validity and reliability of MWMS. Our resulting indices taken together, i.e.,  $\chi^2/df = 1.24 < 5$ ; RMSEA = .054 < .08; SRMR = .076 < .08; CFI = .97 > .95; and PClose = .396 > .05 (Hu and Bentler, 1999) indicate a good fit. Furthermore, using Heterotrait-Monotrait Ratio of Correlations (HTMT) (see Table 1) we had values less than 1, alongside AVEs higher than 0.5 (Fornell and Larcker, 1981) and CRs between .7 and .9 (Hair Jr et al., 2017). Finally, all of the Variance Inflation Factor values returned VIFs less than 5 (see Table 2). Thus, all of the above statistics suggest that the MWMS model is a good fit to the data and that it satisfies the quality criteria of the discriminant validity as well as the construct reliability and convergent validity. Hence, we conclude that hypothesis 1 is supported which suggests confirmation of the dimensionality of MWMS (See Figure 2). Before proceeding with the path analysis using an SEM via Amos 24, we utilised the Common Latent Factor (CLF) to assess the Common Method Bias (CMB), i.e., we tested a null hypothesis concerning variance that might be caused by the measurement approach rather than the variates the measures represent (Podsakoff et al., 2003). In this regard, we assessed CMB using Gaskin and Lim's (2017) equal

*specific bias test* plugin (See Table 3 and Table 4). The chi-square test for the zero constrained model was significant (i.e., measurable bias was detected). Therefore, a bias distribution test was made (of equal constraints). The chi-square test was significant on that test as well (i.e., unevenly distributed bias). Thus we retained the CLF for the subsequent path analysis. To test hypothesis 1, path analysis followed by an invariance test was conducted. That was done to test the path from MWMS components to overall employee motivation and detect any variations between Generation X, Generation Y and Generation Z of the sample through a categorical variable named generation with three values (i.e., 1 = Generation X, 2 = Generation Y and 3 = Generation Z).

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## **Results:**

To test the research hypothesis, this research ran a path analysis of the links between MWMS and overall employee motivation. Our results exhibited an excellent model fit, e.g.,  $\chi^2/df = 2.23 < 3$ ; CFI = .99 > .09; SRMR = .01 < .08; RMSEA = .03 < .08; PClose = .99 > .05 (Hu and Bentler, 1999). Also, an equivalency analysis was run to test the difference between an unconstrained model, which presumes that the three groups (i.e., Generation X, Generation Y and Generation Z) are generating different values of the parameters when the model is applied to the data, and a set of constrained models. This method presupposes that the three groups are vielding equivalent values of given sets of parameters when the model is applied to the data (Meyers et al., 2017). In our study, the unconstrained model yielded a statistically significant chi square difference,  $\chi^2$  (12, N = 1349 = 136.65, P < .0001. Thus, there is at least one structural weight moderated by generational differences and to know which path(s) are moderated, a further pairwise parameter comparisons are conducted using Z score that is calculated on the basis of statistical significance level which equals 0.05. The significance of the pairwise parameter differences is assessed against a Z score equal to 1.64. As a result, generational differences are found to moderate all of the structural weights to overall motivation from Amotivation ( $Z_{x,z} = 5.70 > 1.64$ ;  $Z_{y,z} = 3.82 > 1.64$ ), Extrinsic regulation—material ( $Z_{x,z} = 4.67 > 1.64$ ;  $Z_{y,z} = 2.84 > 1.64$ ), Extrinsic regulation—social  $(Z_{x,y} = 4.14 > 1.64; Z_{x,z} = 2.61 > 1.64)$ , introjected regulation  $(Z_{x,y} = 2.10 > 1.64; Z_{x,z} = 2.80 > 1.64)$ 1.64), identified regulation ( $Z_{x,z} = 8.31 > 1.64$ ;  $Z_{y,z} = 5.82 > 1.64$ ), and intrinsic motivation ( $Z_{x,z} = 5.82 > 1.64$ ) 5.49 > 1.64;  $Z_{y,z} = 4.98 > 1.64$ ). Specifically, Figure 3 shows that Generation Z employees ( $\beta_3 = -$ .42, P < .01) are more sensitive to amotivation as a negative source of overall work motivation than Generation X ( $\beta_1 = -.16$ , P < .01) and Gen Y ( $\beta_2 = -.23$ , P < .01). While much less valued by Generation X ( $\beta_1 = -.02$ , P > .05) and Generation Y ( $\beta_2 = -.04$ , P > .05), Extrinsic regulation—

material is found to be a valid source of employees' overall work motivation for Generation Z ( $\beta_3$ ) = .08, P < .05). Extrinsic regulation—social is regarded by only Generation X as a source of overall motivation ( $\beta_1 = .30$ , P < .01;  $\beta_2 = -.01$ , P > .05;  $\beta_3 = .03$ ; P > .05). So is Introjected Regulation by Gen Y ( $\beta_2 = .10, P < .01; \beta_1 = -.03, P > .05; \beta_3 = .02, P > .05$ ). Unlike Generation Z ( $\beta_3 = -.08, P > .05$ ) .05), both Generation X ( $\beta_1 = .48$ , P < .01) and Generation Y ( $\beta_2 = .34$ , P < .01) employees value Identified Regulation as a source of overall work motivation. Finally, Intrinsic Motivation contributes more to Generation Z ( $\beta_3 = .67, P < .01$ ) employees' overall work motivation than it does for Generation X ( $\beta_1 = .30, P < .01$ ) and Generation Y ( $\beta_2 = .30, P < .01$ ).

The study concluded that the research hypothesis is supported, i.e., the paths from MWMS components to overall employee motivation were found not invariant due to generational differences. Table 5 summarises the results of H1 testing results.

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## **Discussion:**

Our research sets out to assess the moderating role of generation in valuing the sources of overall work motivation amongst a three-generation sample of employees working in the services sector in Canada. It contributes to the literature by demonstrating that there are generational differences

regarding what each generation values in the workplace as a source of employee work motivation between Generation X, Generation Y and Generation Z. We did that using a structural equation modelling approach. We provided evidence of MWMS validity and reliability and tested one hypothesis to conclude the research findings.

This research hypothesised that the sources of motivation identified by MWMS are not invariant predicting overall employee motivation between Generation X, Generation Y and Generation Z. This hypothesis received partial support. That is, at least one of the six dimensions of MWMS differs in its contribution towards overall employee motivation between at least two out of the three generations. Thus, we performed path analysis and an equivalency test to detect any significant differences between the three groups. All MWMS dimensions were found to act differently between the three age groups. Generation Z employees tended to be more sensitive and reactive to off-putting situations than Generation X and Generation Y. This possibly explains the escalating levels of amotivation and the plummeting scores of overall work motivation amongst this age group compared to its ancestors (see Figure 1). Unlike Generation X and Generation Y, Generation Z value extrinsic regulation—material as a source of their overall work motivation. This finding is in line with the literature. For instance, Generation Zers tend to be more committed employees than their Generation Y peers (Seemiller and Grace, 2019). Also, Generation Zers have been found to value financial stability in their efforts in job hunting (Seemiller and Grace, 2017).

Our findings further reveal that Generation Z workers do not value identified regulation as a source of motivation. Subsequently, Generation Zers are more motivated to work on activities that are out of inherited satisfaction (Gagné *et al.*, 2014) and, thus, value intrinsic motivation more than their older peers. However, with Generation Yers valuing introjected regulation as a source of overall work motivation, their behaviours seem to be more internally regulated than Generation

#### International Journal of Manpower

Xers but less than Generation Zers. The latter top the age groups at having most of their behaviours in the workplace intrinsically triggered. Our finding suggests that service organisations are advised to give more weight to material rewards, for example, pay raises and non-monetary benefits, as well as, identify regulated approaches, for instance, internalisation of the task value, since many jobs are not intrinsically motivating (e.g., Fernet *et al.*, 2008), when they attempt to motivate employees from younger generations (e.g., Heyns and Kerr, 2018), especially, Generation Z.

An interesting finding in our study is that Generation X employees appear to be out of tune with their peers of the later generations regarding valuing extrinsic regulation—social as a source of motivation. This result indicates that Generation Xers' behaviours in the workplace are more likely to be prompted by social rewards (e.g., praise) and punishments (e.g., job loss). Older workers are a vulnerable group of workers to social exclusion (Hennekam, 2015). Thus, Generation Xers are more effectively motivated through external social rewards, for example, when a supervisor shows respect and recognition to their subordinates.

### Practical implications

One of the significant challenges facing businesses today is the retention of their most valuable assets, that is, people. Too often after hiring younger generations, employers find that their new recruits lack workplace motivation and become disengaged with their job, resulting in staff turnover especially among Generation Yers (Pontefract, 2018) who have been labelled as 'job hoppers' (Seemiller and Grace, 2019). Therefore, a right work-life balance (Twenge *et al.*, 2010), meaningful and innovative work (Bannon *et al.*, 2011) and adequate recognition (Murphy, 2018) are required by employers to improve Generation Yer's loyalty and retention.

The results of this study have implications for organisational practice. First, as more Generation Y and Generation Z enter the workforce, human resource departments must reflect their understanding of workplace motivators for candidates from both generations. More to the point, businesses must be able to demonstrate the existence of these motivators before being able to entice the best candidates to join their workforce. As a result, creating a favourable and robust employer brand can play a crucial role in promoting positive attitudes from current employees (Schlager *et al.*, 2011). The current employees are proud to work for a strong-branded company; thus, that can lead to success in attracting the best new Generation Y and Generation Z talent.

Second, given the tech-savvy nature of Generation Y and Generation Z, and the information revolution they grew up in, it is simpler today than ever before for Generation Y and Generation Z to identify prospective employers who can demonstrate they recognise what inspires Generation Y and Generation Z in the work environment. This puts pressures on organisations to not only create an inclusive and understanding multi-generational working environment but also to be able to communicate strong branding via new communications channels successfully (e.g., social media networks) which Generation Yers and Generation Zers utilise better than any other generation in employment.

Finally, we suggest that service organisations with diverse generational composition, adopt new measures of workplace agility to survive interminable disruptions. For example, in the wake of Coronavirus (Covid 19) outbreak in January 2020 and declaring it a pandemic by the World Health Organisation (WHO) in March 2020, governments in many countries have imposed curbs to people mobility while others have placed lockdown covering parts of or entire countries. In response to the pandemic, some companies like Google have asked their employees to work from home. Although teleworking can be a sensible solution to keep service businesses up and running

during hardships, however, only four per cent of companies can shift to telecommuting for their entire workforce. Also, telecommuting is usually accessible for roughly a quarter of the staff members of an employer (Woolacott, 2020). Additionally, in light of our results, organisations might struggle to keep Gen X employees motivated because social rewards are an integral part of their valued sources of motivation.

## Limitations and recommendations for future research

Although this study has successfully demonstrated that generational differences lead to variations in valuing the sources of motivation in the workplace, it has, however, a specific limitation about the possibility that such variations may also be spawned by age or status of the respective groups. Therefore, it is highly recommended that further research be undertaken to address this issue. For instance, future research can look at whether generation Z's valued structure of motivation in the workplace might turn out, in 10-20 years now, to be more similar to generation Y's of the 2010s or not. If yes, a higher similarity would imply that such variations in motivation were age-triggered. If not, that would give more validity to the cohort impact.

Another limitation of our study is the reliance upon a single country for data (e.g., Kultalahti *et al.*, 2015). Future research in this field would be of great help in examining our focal theme from numerous alternative geographical settings. For instance, since Generation Y and Generation Z are tech-savvy, future scholarly work can address the potential correlation between a country's adoption rate of technology and workplace motivating factors. Similarly, future studies should focus on determining the role of national culture, task significance, and genderplay in

determining how different generations are motivated in the workplace. That said, future empirical inquiries may be conducted in other countries for aiding companies to redesign work tasks considering today's uncertainty as well as increasingly competitive, global environment. For example, the rise of Artificial Intelligence implementation in businesses can be looked at as a double-edged sword. In this regard, the benefits of the extensive application of AI in business are undeniable (Mahmoud *et al.*, 2020); however, they can be perceived by employees as a threat to their jobs. Thus, further research should be undertaken to explore the generational differences in how employees' perception of AI utilisation in business could affect their motivation. Finally, future work in this area can examine whether a nation's rate of economic development and may impact employee motivation from different generations. Nations with relatively high economic growth rates tend to have more agile workforces, providing fertile ground for further exploration. For organisations to survive, agility is a necessity rather than an objective or strategy (Alavi and Wahab, 2013). Future research could consider further separating industries where most Generation Y and Generation Z work (or prefer to work) to explore if there are any significant generational motivational variations across different sectors.

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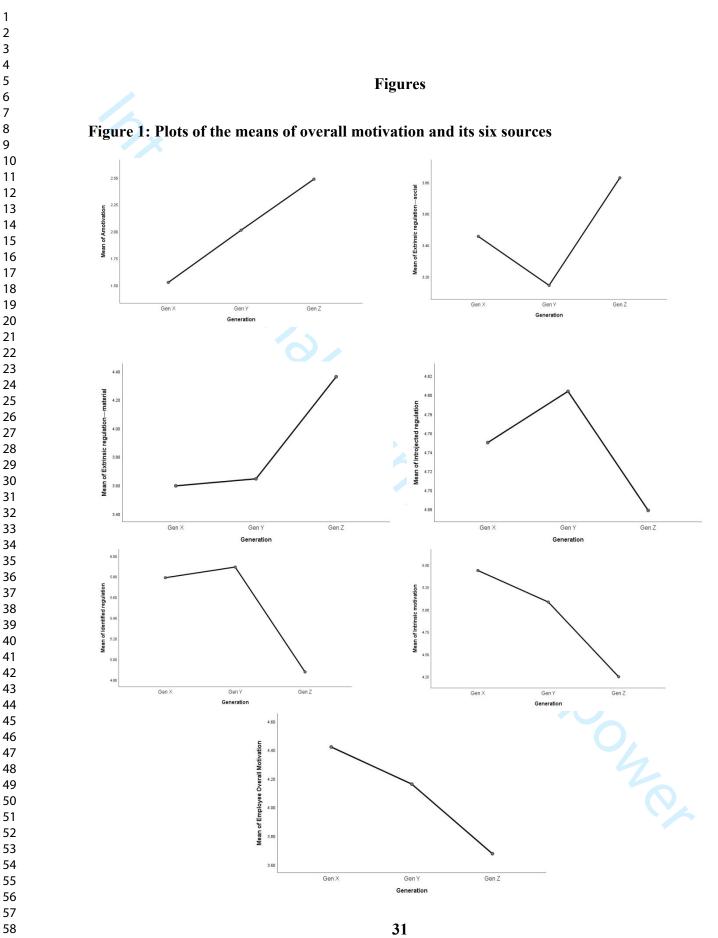
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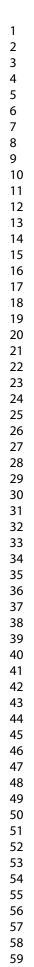
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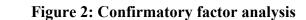
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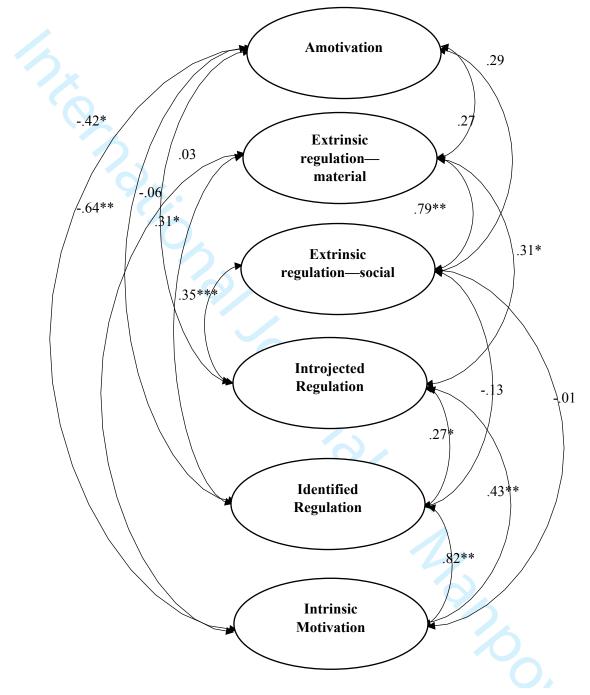
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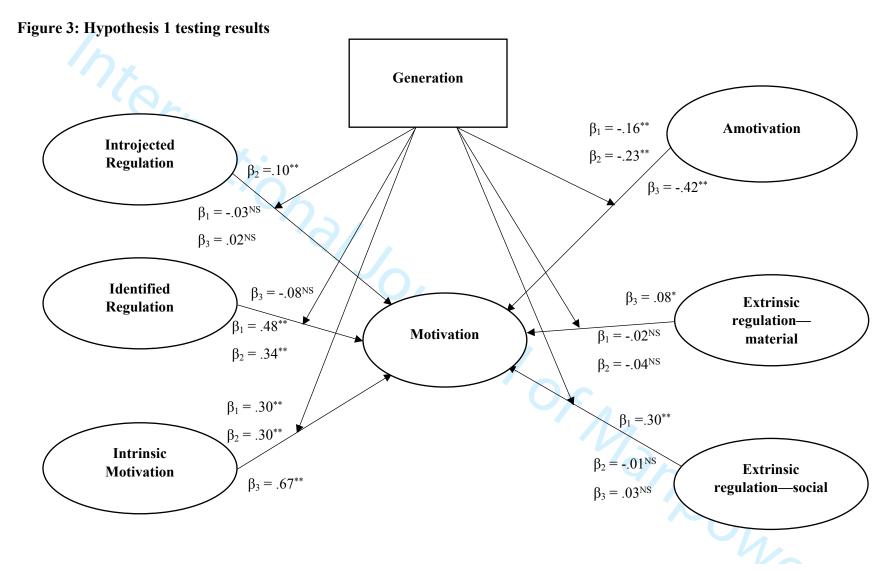








*Note.* <sup>\*\*</sup> P < .01; <sup>\*</sup> P < .05;  $\chi^2/df = 1.24 < 5$ ; RMSEA = .054 < .08; SRMR = .076 < .08; CFI = .97 > .9; and PClose = .396 > .05.



*Note.* Where applicable  $\beta_1$  represents a coefficient of Generation X,  $\beta_2$  symbolises a Generation Y' and  $\beta_3$  denotes Generation Z; \* P < .05; \*\* P < .01; <sup>NS</sup> Non-significant;  $\Box^2/df = 2.23 < 3$ ; CFI = .99 > .09; SRMR = .01 < .08; RMSEA = .03 < .08; PClose = .99 > .05.

# Tables

Table 1: Discriminant	validity test (HTMT)
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	Amotivation	Extrinsic regulation— material	Extrinsic regulation— social	Identified regulation	Intrinsic motivation
Amotivation Extrinsic egulation—material	0.175				
Extrinsic	0.32	0.872			
regulation—social dentified regulation	0.679	0.159	0.183		
Intrinsic motivation Introjected	0.438	0.109	0.133	0.871	
regulation	0.269	0.378	0.411	0.53	0.547

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		Rotated	Component ]					
Item	Amotivation	Extrinsic regulation— material	Compor Extrinsic regulation— social	Identified	Intrinsic motivation	Introjected regulation		VI
AM01	0.717							1.7
AM03	0.909							1.7
Ext_Mat01		0.831						1.4
Ext_Mat02		0.654						1.4
Ext_Soc01			0.642					1.9
Ext_Soc02			0.779					2.4
Ext_Soc03			0.768					1.4
Ident01				0.741				1.7
Ident02				0.889				2.7
Ident03				0.802				2.3
Intrin01					0.885			2.0
Intrin02					0.813			2.0
Introj01						0.619		1.9
Introj02						0.876		1.7
Introj04						0.62		1.3
EM01							0.92	3.0
EM02							0.913	2.8
EM03							0.748	2.9
AVE	0.67	0.559	0.536	0.661	0.723	0.512	0.67	
CR	0.8	0.714	0.775	0.853	0.839	0.754	0.8	
Alpha	0.789	0.704	0.774	0.85	0.837	0.749	0.789	
Mean	1.995	3.852	3.463	5.541	4.944	4.747	4.098	
SD	1.250	1.414	1.412	1.161	1.393	1.420	0.840	

# Table 3: Zero Constraints Test

Is there specific bias?					
Model	$\chi^2$	df	Delta	Р	
Unconstrained Model	461.225	36	$\chi^2 = 350.726$	< .0001	
Zero Constrained Model	811.951	49	df = 13	< .0001	
			0		

# **Table 4: Equal Constraints Test**

Is bias evenly distributed?				
Model	$\chi^2$	df	Delta	Р
Unconstrained Model	461.225	36	$\chi^2 = 342.417$	< .0001
Equal Constrained Model	803.642	48	df = 12	< .0001

# Table 5: Summary of the results of H1 testing

Source of Motivation	X	Generation Y	Z
Amotivation	Valuec	Valued more	
Extrinsic regulation— material	Is not a source	Is a source of Motivation	
Extrinsic regulation— social	Is a source of Motivation	e of Motivation	
Introjected Regulation	Is not a source of Motivation	Is a source of Motivation	Is not a source of Motivation
Identified Regulation	Is a source of	Motivation	Is not a source of Motivation
Intrinsic Motivation	Valued	l less	Valued more