Recruiting and Retaining Generations X and Y in Organizations

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Honors Project Analysis

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Introduction

The workforce today is made up of diverse generations, and currently the professional workforce is made up of the three main generations: Baby Boomers, Generation X, and Generation Y. The Baby Boomers generations makes up 29% (44.6 million) of today’s labor force, next to generation X representing about 34% (52.7 million), and generation Y being hand in hand with generation X but just passing them the amount of people at 34% (53.5 million) (Clark, 2017). Organizations will recruit applicants and hire future employee from these three generations. With each generation, in order to find the best candidates for open positions, organizations must find ways to attract each generation’s top talent. Further, it is not enough to hire them but organizations must focus on retaining them.

With many of the baby boomers nearing retirement, it will become essential for organizations to fill the vacant openings left behind (DeZube, 2018). Therefore, organizations will be relying on two generations, X and Y, to fill their vacancies. This already make the competition for talent even more fierce (Kleinman, 2018). Companies will currently have to focus their recruitment efforts on generation X and generation Y. However, to be able to recruit these generations effectively you need to understand these generations.

Therefore, the purpose of this paper is: 1) identify the values & beliefs of generation X and Y, 2) identify the work styles and job seeking behaviors of generation X and Y, and 3) offer suggestions in applying the recruitment techniques for generation X and generation Y.

Generation X

Generations X has predominantly consumed the labor force, ranking in at 52.9 million gen Xers working today (Fry, 2015). With the Baby Boomer generation nearing of retirement,
Generation X have been one of the strongest in the workforce today in hopes to move into the vacancies created by the Baby Boomer retirees. Generations X (also known as Gen Xers) who were born between the years of 1965-1980 have distinct values and beliefs, which have influenced their work styles and their job searching preferences.

**Foundation of Gen Xers:** Gen Xers, also known as the “Latch-Key Kids” is often the term to describe this generation. This was the first generation of children who were left at home by working parents with little to no supervision. Many believe it was this experience that had the greatest impact and shaped this generation. Generation Xers parents were mostly baby boomers or traditionalists who were all about their work and to some extremes became workaholics (Clark, 2017). This work tendency often resulted in broken and/or dysfunctional families that were often plagued absentee parents. The strained family relationship led to shaped Gen Xers to redefine and establish nontraditional families. This generation doesn’t feel the need to adapt and form themselves to the traditional lifestyle. In this generation, you see couples raising children but not getting married, or children being raised with divorced parents, and even families with two hard working parents. The family situation and being left on their own have further shaped their values, beliefs, work styles, and even their job search preferences.

**Values of Gen Xers.** There are several key values that describe Gen Xers (Erickson, 2008). One value associated is self-independence. They want to be able to take care of themselves in any type of situations. Therefore, they value more the ability to grow and advance in order to provide for themselves. A second value is balance between their work and their family life, meaning they aren’t the typical generation who will work the extra mile for money or promotions (Clark, 2017). A third value is self-reliance is very important as well. Gen Xers value anything that require their own efforts and abilities. This often helps Gen Xers to thrive.
Beliefs of Gen Xers. Gen Xers tend to focus more morality than religious beliefs when evaluating situations. Gen Xers often believe in their own specific religion yet are willing to step back or take a break from religion in order to practice or negotiate their own difficult challenges (Chase, 2016). No matter what their specific beliefs are, it can definitely play a part in the decisions they make when making choices in and outside the workforce today.

Generation Y

Today, generation Y (Gen Ys) has entered the labor force a full force. Although generation X has consumed the labor force for some time now, generation Y has a greater presence than generation X and passed them in the work force at 53.5 million (Clark, 2017). This generation has their own distinct set of values, beliefs, work styles, attitudes, and job searching preferences. Gen Ys who were born between the years of 1981-2000, are also known as the “Millennials” because this generation was born into the new millennium. They are bombarded with new innovations throughout their childhoods and into their adult lives. Therefore, they grew up having all types of technology at their fingertips. Instead of playing with toys and playing outside the kids, they played on tablets, computers, and video games as their use of entertainment. Having been raised with technology it has affected how this generation functions throughout their day to day lives.

Foundation of Generation Y. Generation Y, also known as the “Millennials” often the term to describe this generation. This generations upbringing was unlike the other generations before them. Many things began to change and evolve during this generation creating a new millennium, which is how this generation acquired their nickname. During this generation, certain events took place that ultimately influenced the Millennials growth. These events such as the 9/11 terrorist attack, school shootings, disease outbreaks, and the great recession effected this
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generation greatly and brought a sheltered childhood upon them. "The Millennials dynamic with their parents is also very different than the generations before them. Generation Y grew up with overprotective parents. They were escorted and supervised by their overprotective parents who were extremely cautious of dangers such as kidnapping, school violence, and drugs (Clark, 2017). As a result of being raised with such protective parents, members of generation Y are less independent and seek validation and feedback consistently.

Value of Generation Y. Gen Ys value money and consider it very important. This is often what drives them to get to the next phase in their life. Unlike the Gen Xers, this generation values employment security and that their work is meaningful. Gen Ys also value self-development, which may come from them being one of the most educated generations. They value having options to continuously develop themselves through training, certification, and extended education. Finally, this generation values being included in the decision-making process in their positions at the workplace, this is something that gives them a sense of pride that their voice is being heard at their organization (Stankiewicz & Lychmus, 2015).

Beliefs of Generation Y. Gen Ys beliefs are strong-minded. They have formed their own beliefs things, such as religion, without having the beliefs of others pushed on them. Commonly, this generation doesn’t identify to any particular religion, and thus are known as being the least likely to pray out of all the other generations (Chase, 2016). However, there is a small percentage of Gen Ys that feel strongly about religion, those who do will fit their religion to their own tastes and interests. Instead, they pull from various areas of different religions to create their own faith identities. Gen Ys have set new standards about how people feel about religion and how it effects their lives, and these are details that could affect their choices in organizations today (Chase, 2016).
Summary of Gen Xers & Gen Ys Values and Beliefs. Each generation has experienced distinct life events that have shaped their values and beliefs. After growing up latch-key kids, Gen Xers want to be independent and self-reliant. After growing up with protective parents and feeling sheltered throughout childhood, Gen Ys want meaningful experiences and self-development. There is some overlap that each value growth and advancement in professional settings. However, it is interesting that their motives are so different. Gen Xers aspire to take care of themselves and see this through advancement and developmental opportunities. Gen Ys want the same, but this is rooted from consistently wanting to better themselves. The values and beliefs of each generations have shaped not only their personal lives but professional careers. In the next sections, their work styles and expectations from jobs will be examined.

Work Styles

Work Styles of Gen Xers. Gen Xers have high expectations from their future career corporations and are completely comfortable demanding and negotiating to meet those expectations. They are usually less loyal to their employers and don’t mind jumping from organization to organization to fit their career needs (Clark, 2017). The demands of Gen Xers often include: work/family life balance, freedom within their work, and flexible work arrangements. Gen Xers typically do not work long hours in order to maintain the work-life balance they seek even if it is for extra money or recognition. When it comes to the workplace, this generation can tend to be a bit cynical, question authority when needed, and dislikes direct supervision. Therefore, it is not surprising they have strong reactions against being micromanaged, which they attribute to their bosses being obnoxious (Clark, 2017).

Gen Xers are very task oriented and multitasking comes easy to them. Although it is not their first choice to work within a team or naturally call themselves a team member, they will
work with their coworkers to accomplish the end goal. Their major work preferences are to maintain and supervise their own time, make their own deadlines, and work on their own without supervision. Since the use and reliance on technology began to rise in this generation, they like to take on new projects and skills that involve technology. Knowing these work styles about the Gen X’ers could benefit any organization when looking for potential candidates.

Work Styles of Generation Y. The work styles of Gen Ys are very distinct. This generation is the most tech-savvy generation ever seen in the workplace. Therefore, there may be hesitation from walking into an organization for job opportunities if the technology is lacking from its presence. Gen Ys appreciate team collaboration and would rather work together on a project than alone. Gen Ys seek constant feedback and encouragement from managers and others about their work. This helps to ensure the quality of their work. Although they desire feedback from their managers, Gen Ys don’t actually hold their managers as true subject matter experts in situations. This is critical because Gen Ys know where to find the information themselves in order to do their job. Gen Ys also do not like to limit themselves to 1 job or 1 career path, this is because they don’t want to feel stuck in any situation and like to focus on their general happiness (Clark, 2017). This does not necessarily mean that gen Ys will just up and leave a job, if their happiness relies within that job or career, gen Ys will stick by it. Gen Ys likes to focus on change in the workplace. When starting a new project at an organization, they will like to create new plans and ideas. This is all done to help improve the organization.

Summary of work styles of Generation X & Y. These generations seem to have more differences in the work styles then overlap. Gen Xers have high expectations for what they want their jobs to provide and are willing to negotiate and will even job ship for another opportunity to meet these demands (e.g., autonomy, flexible work arrangements). Gen Ys have expectations
about the places they work places having a technology-driven emphasis on how work is done. Gen Xers are multitaskers who like autonomy, strongly dislike micro-managing, and enjoy using technology. Gen Ys seek constant feedback about the quality of their work but never view their own managers as subject matters experts since Gen Ys know where to find the information needed for their work. Gen Xers strongly prefer to work alone and will own but on a team as a last resort, while Gen Ys love to be on a team. The work styles of each generation have influenced their job expectations. This will be discussed in the next section.

**Job Expectations**

*Job Expectations of Gen Xers.* The job expectations of Generation X tend to focus on managements styles, flexibility within their job, and extending education opportunities when it comes down to job expectations. Unlike previous generations, generation X expects a very particular management style after choosing a job. Gen Xers prefer managers who are straightforward, genuine, and “hands-off” in their management approach (Bursch, 2014).

When choosing a job, the Gen Xers are more likely to pursue companies that offer ongoing training and continuous education for their employees. While training and education is very important to this generation, flexibility and freedom within their work is equally as important to them. Although many would prefer strict deadlines when working, Generation X is a bit different; Gen Xers want ultimate flexibility in how and where work gets done (Bursch, 2014). Gen Xers are independent and entrepreneurial by nature, so to keep these workers engaged, employers should offer them autonomy and freedom (Bursch, 2014).

*Job Expectations of Gen Ys.* Gen Ys expect room for opportunity to learn and grow, so they can advancement (Rigoni & Adkins, 2016). Along with growth opportunity and advancement, Gen Ys also looks for the chance of international experiences that a job can
provide for them. “Millennials would select flexible working, work-life balance, and the chance for overseas assignments above financial rewards” (Ladimeji, 2013). Generation Y also expects a quality manager when selecting a job, further being part of great functioning team is really important to the Gen Ys (Rigoni & Adkins, 2016). Lastly, although it isn’t at the top of their list for job expectations, overall compensation is still just as important to generation Y. Research shows that half of Millennials would consider taking a job with another organization for a raise of 20% or less (Rigoni & Adkins, 2016).

**Summary of job expectations for generation X & Y:** Both generations want similar factors in their jobs but for different reasonings. Gen Xers want autonomy, opportunities for advancement and growth, and flexibility in work schedules. This truly coincides with their independent nature and importance of being able to take care of themselves. Gen Ys want advance and growth but to give them the meaningfulness of work they desired. Their job expectations have influenced how they find jobs they are interested in learning more about and possibly apply to. This will be discussed in the next section.

**Job Searching Behaviors**

**Job Searching Behaviors of Gen Xers.** The most popular searching behavior for Gen Xers is searching for jobs online, with 70% of Gen Xers use mobile devices to search for jobs online (Collamer, 2014). When searching for these jobs online, Gen Xers likes clearly defined goals and expectations when viewing job postings (Survey Monkey, 2018). While job searching, Gen Xers will tend to online search outlets such as LinkedIn. Though online job searching is a popular behavior for Gen Xers, they also try network through friends and family while looking for jobs. The Gen Xers will generally search for jobs in fields such as: business, finance, legal, computers, and mathematics (Indeed, 2014). When Gen Xers are searching for jobs in those
particular fields of work they are normally looking for those senior level positions. Gen Xers are typically loyal to their jobs, but will start to search for new jobs when they feel their needs aren’t being met. With that being said, the Gen Xers fit into the semi-passive job seeking category, meaning they will look for jobs here and there not being permanently cemented in their current job. These searching behaviors is how a Gen Xers might typically go about looking for a job. Whether it’s mainly online searching or networking through family and friends, these seeking behaviors are what companies need to focus their job posting on to attract generation X.

**Job Searching Behaviors of Gen Ys.** The Gen Ys job searching behaviors go hand in hand with the Gen Xers. They too, originally start their job searching online, gravitating towards search outlets such as LinkedIn and Indeed when searching for jobs. About 78% of Millennials use LinkedIn for jobs (Survey Monkey, 2018). When the Gen Ys start their job search online, they usually start searching on their mobile devices. “More than 70% of Millennials use mobile devices for job searches” (Collamer, 2014). If all else fails with searching online, gen Y’s will also network with family and friends when job searching. When searching for a job, Gen Y’s will usually aim for jobs in fields like: computer, mathematics, life sciences, business, and finance (Indeed, 2014). Since Millennials are the most educated generation yet, when searching for jobs they will search for jobs in highly skilled occupations in those fields of work. As stated previously, the Gen Y’s loyalty within a job isn’t strong unless they are happy within the position, which means that the Gen Y’s are actively seeking for jobs until they’ve truly found the one. Since the Gen Y’s are normally the most active job seekers, focusing on their seeking behaviors will help companies recruit and retain this generation in the future.

**Recruitment**
With the exodus of the baby boomers in the workforce, the focus of filling these vacancies will be aimed at the largest generations, remaining generations X and Y. Therefore, it is critical that organizations develop the right recruitment strategy for each generation. Recruitment is the process of attracting qualified applicants for an open position. The best strategy for each generation will be discussed below.

**Recruitment Approach**

**Recommended Approach for Gen Xers.** The approach that fits best when recruiting for generation X is targeted recruitment. Targeted recruitment is when you identify specific segments in the labor market where qualified applicants are likely to be available and that they possess the KSAOs needed (Heneman et al., 2015). The advantages of targeted recruitment are it narrows the applicant pool and concentrates more on qualified applicants (Heneman et al., 2015). Since the Gen Xers have already been working in the labor force for some time now, they would be best described as semi-passive or passive job seekers. Semi-passive job seekers include those that have a job but are looking periodically at job openings. They could be lured away by the right opportunity. While passive job seekers include those that already have a job and have no intention of leaving, however, they may entertain an opportunity if it meets their desires. Therefore, a targeted recruitment approach would provide the greatest reach to these types of job seekers. The targeted efforts should focus on the elevated levels of experience and KSAOs possessed by the Gen Xers.

**Recruitment Approach for Gen Ys.** The approach that fits best when recruiting for generation Y is an open recruitment approach. Open recruitment is when organizations cast a wide net to attract potential applicants for job openings. This approach works well with Gen Ys since they may still be in college, recent graduates, or in positions for under 1 year. Further, Gen
Ys are usually categorized as active job seekers. Active job seekers include those that are currently unemployed or are actively seeking new employment opportunities. Therefore, the open recruitment approach is best aligned for this generation.

**Recruitment Methods**

**Gen Xers Recruitment Methods.** The methods used would be chosen to reflect the job expectations and characteristics of the Gen Xers as well as the targeted approach chosen. The recruitment methods that organizations should use to achieve these goals would include: LinkedIn, niche websites (based on job openings), professional associations and meetings (based on job openings), employee referrals, and company websites. These recruitment methods allow organizations to target the semi-passive and passive applicants by focusing recruitment efforts on the needed KSAOs for this position and possesses by such applicants. If organizations direct attention toward these recruitment methods for the Gen Xers, it will strengthen their recruitment process and decrease the amount of time wasted on methods that are not appealing to Gen Xers.

**Gen Ys Recruitment Methods.** The recruitment methods for the Gen Ys should also reflect the job expectations and their characteristics and cast a wide net for attracting such applicants. The recruitment methods organizations should use to recruit for the Gen Ys are as followed: job boards, LinkedIn, college placement office, job fairs, employee referrals, and company websites. These recruitment methods fall in line with the open recruitment approach that fits best when recruiting for the Gen Ys.

**Recruitment Aids**

**Recruitment Aids for Gen Xers.** Recruitment aids may include any print medium used to communicate the job openings. They may include brochures, print ads, flyers, etc. The
recruitment aids that should be included for the Gen Xers that are chosen will display the values, work styles, and job expectations. The recruitment aids included when recruiting Gen Xers are as followed:

- **Training & Development opportunities**
  - Self-reliance
  - Independence
- **Total Compensation**
  - Focus on merit increases
  - Competitive salary
  - Incentives
  - Benefits
    - Work-life Balance
    - Professional Development Funding
    - Retirement
    - Health Benefits

**Recruitment Aids for Gen Ys.** The recruitment aids for Gen Ys will also display the values, work styles, and job expectations. The Gen Ys recruitment aids are similar to the Gen Xers recruitment aids, although there are different motives behind them. When organizations are recruiting the recruitment aids for the Gen Ys should contain the following:

- **Training & Development opportunities**
  - Self-reliance
  - Independence
- **Total Compensation**
  - Focus on merit increases
  - Competitive salary
  - Incentives
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- Benefits
  - Work-life Balance
  - Professional Development Funding
  - Retirement
  - Health Benefits

**Job Design**

*Job Design for Gen Xers.* A job design is to identify and define its elements and tasks precisely and then incorporate them into a job description (Heneman et al., 2015). The job design used to implicate for recruitment is based on the Job Characteristics Model (Hackman & Oldham, 1980). For the Gen Xers job design the main factors should include autonomy focusing on the self-starters and feedback from results. With autonomy, Gen Xers want leeway or discretion over how their work is done and the decisions made, they want to be able to experience the responsibility from their own work outcomes. While focusing on autonomy, the job design should also encompass feedback from results meaning the Gen Xers want the knowledge of their actual work results, but not from their managers.

*Job Design for Gen Ys.* The job design used to implicate for recruitment is also based on the Job Characteristics Model (Hackman & Oldham, 1980). The characteristics that are chosen to be included in the Gen Ys job design are skill variety, task identity, and task significance. These characteristics were chosen for Gen Ys job design due to fitting Gen Ys values, work styles, and job expectations. The Gen Ys want to have the option to use their different skills in their job, including skill variety in the job design is very important. Though task identity and task significance are just as critical, which for the Gen Ys is seeing their work from start to finish and
the importance of their tasks. All three of these job design characteristics for the Gen Ys lead to meaningfulness of work.

**Retention**

Throughout we have explained how organizations should recruit for generations X and Y. As explained previously, recruiting for these generations and getting applicants in the door is very important for organizations. Though knowing how to keep and retain those new employees once they are in the organization, is just as critical. Retention is important to ensure that the organization is able to keep employees with important knowledge, skill, ability, and other characteristics (KSAOs) to generate future success (Heneman et al., 2015). Once organizations have recruited these new employees, they can’t be taken for granted. Retaining employees so that recruitment funds don’t go to waste is extremely critical for any organization.

*Why is it Important to Keep Them?* The main importance of retention is that organizations inqure many costs and it is expensive when losing a high-quality individual. Retaining those individuals so that organizations don’t have to inqure those costs is critical. There are a variety of costs that come into play when a qualified individual leaves an organization and they have to be replaced. If an organization experiences these costs for multiple employees leaving, it could truly hurt the organization due to the multitude of costs. Below are the costs that organizations could inqure from not retaining these high-quality individuals (Heneman et al., 2015):
### Financial Costs
- HR Staff Time; (exit interviews, payroll, benefits)
- Manager’s Time; (exit interviews, retention attempts)
- Accrued PTO; (vacation, sick pay)
- Temp Coverage; (overtime pay, temp employees)
- HR Staff Induction Costs; (payroll, benefits enrollment)

### Replacement Costs
- Staffing Costs for New Hire; (cost per hire calculations)
- Hiring Inducements; (bonus, relocation, perks)
- Hiring Managers Time
- Orientation Program; (time, materials)
- HR Staff Induction Costs; (payroll, benefits enrollment)

### Training Costs
- Formal Training; (trainee time, instructor time, materials, equipment)
- OJT Training; (supervisor, employee time)
- Mentoring
- Socialization; (time of other employees, travel)
- Productivity Loss; (loss of production)

### Other Costs
- Customer Service/Production Delays; (quality decreases)
- Employees Goes to Competitor; (loss of competitive edge)
- Lost Clients
- Contagion; (others decide to leave)
- Teamwork Disruptions and Loss of Diversity

### Implications for Retention
The same elements that works and are applied for recruitment should be sustained for retention. The elements that work to recruit for the Gen Xers and the Gen Ys, should be continued throughout after hiring these generations on order to retain them. The elements that should be continued in retention for the Gen Xers are: self-reliance, aversion to micromanaging by grooming for advancement into managerial positions, and increase benefits based on tenure those benefits being 401k contribution, professional developmental funding, etc. While the elements that should be continued in retention for the Gen Ys are: meaningfulness of work, sabbatical/pro bono work, team-based opportunities by the Gen Ys self-managing the work teams, advancement opportunities, and continuous feedback from coworkers and managers.
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Conclusion

As the baby boomers exit the workforce in large numbers and begin to retire, the talent wars will only intensify among those from generation X and Y. Therefore, the organizations that invest time and energy to understand the individual differences between generation X and Y will have an upper hand in the war for talent. Further, this should aid in not only recruiting but in retaining them for years to come.
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