Antecedents of Job Satisfaction for Generation –Y Workers

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Abstract

As society advances, and the market transcends international, social and economic boundaries, there are a multitude of reasons to seek greater understanding on the development of successful firms and satisfied employees. With the changing demographics of today’s workplace (e.g. retirement of baby-boomers), organizations will need to heavily rely on the skills of Generation-Y workers who are certain to be in high-demand. This study will investigate the role mentor relationships play on job satisfaction and ultimately turnover intentions of this young cohort of employees. Through the lens of the attribution theory, it is posited that these relationships will afford Generation-Y employees an alternative method of explaining both positive and negative performance. As such, these employees will experience increased self-efficacy and job satisfaction.

Introduction

The integration of the newest generation into today’s workforce, often referred to as Generation-Y, is forcing organizations to reevaluate traditional training and on-boarding processes (Frank, Finnegan & Taylor, 2004; Martin & Tulgan, 2002). This generation has its own work-related values, attitudes and behaviors which are inherently different from those of past generations. As organizations attempt to gauge their preparedness for the arrival of Generation-Y workers, they must ask themselves questions such as: “How will we engage them?” “How do we gain their trust?” “What will make them want to stay?” In response, mentoring programs have emanated as an approach for supporting these young workers. The goal of such pairings is to offer fundamental guidance and leadership as a means of promoting career development from the moment the employment relationship begins (Noe, 1988; Rekar
Munro, 2007; Scandura, 1992), understand that doing so will build confidence in their ability to perform required tasks. The current study will answer the research question, does the employee development attributed to mentor relations lead to increased job satisfaction and thus reduced turnover intentions for these workers?

Employee turnover costs the U.S. economy $5 trillion per year (Frank, Finnegan, & Taylor, 2004), and the cost of turnover for Generation-Y is alarmingly high (Martin, 2005; Weaver, 2009), with estimates that turnover within this generation costs firms approximately 1.5 to 1.8 times the worker’s annual salary. More than the tangible and direct costs, such as hiring and recruitment resources to replace the lost employee and onboarding costs associated with training, there are also indirect costs such as loss of productivity and potential loss of business.

By definition, mentorships are “an intense interpersonal exchange between a senior experienced colleague (mentor) and a less experienced junior colleague (protégé) in which the mentor provides support, direction, and feedback regarding career plans, and personal development” (Russell & Adams, 1997). Mentor relationships have been studied from various aspects. Researchers have investigated the roles of mentors (Noe, 1988), benefits of mentor relationships (Donner & Wheeler, 2001; Scandura, 1992; Scandura & Lankau, 2002), and results of mentor relationships (Dreher & Ash, 1990, Hunt & Michael, 1983). The literature, however, gives little focus to the demographics of the mentor-protégé dyad or the effects of these relationships on other aspects of employee behavior. The proposed research study will address this gap in the literature by using the attribution theory as a theoretical framework.

The attribution theory is examines how individuals attempt to explain causes of behavior and events (Weiner, 1992). As employees seek to understand their work environment, mentor relationships may provide extrinsic motivation that influences behavior and performance.
The objective of this study is to expand current organizational behavior research by examining the subgroup level, studying mentor relationships as antecedents of job satisfaction for Generation-Y employees. It is predicted that age will have a significant effect on organizational commitment. Moreover, younger workers with mentors are anticipated to have a stronger commitment to the company and higher levels of job satisfaction. It is further predicted that protégés will report higher self-efficacy as a result of the guidance provided by these mentor relationships, thus these employees will experience greater job satisfaction resulting in a decreased desire to leave the firm.

Theoretical Background and Hypotheses

Generation-Y workers venture into the workforce with very distinct workplace preferences. Often criticized for their sense of entitlement and exhaustive questioning, this generation expects continuous recognition and need daily feedback (Hastings, 2008; Tulgan & Martin, 2001) which sometimes strains the limited management resources of companies who are operating more efficiently with less human capital today than in the past. As employers understand more about Generation Y’s need for connections at work, given Zaslow’s (2005) assertion that younger employees need extra ‘coddling,’ perhaps the most appropriate response is for the firm to institute a formal mentoring program.

To gain a better perspective of why the closeness of a mentor relationship might be an ideal accommodation for this group, one need only look at the behavior of recent college graduates. Many of these young adults earn college degrees only to return home to be cared for and governed by their parents, in some cases, for five or more years post-baccalaureate. “There’s a crisis of coddling in American families. It’s evident in the frantic efforts of parents who write their children’s college application essays…and we notice it in the workplace, where
entry-level employees expect bosses to look after them in the way their mothers do” (Zaslow, 2005, p. 347).

Weiner (1992) suggests “a person's own perceptions or attributions determine the amount of effort the person will engage in activities in the future; when attributions lead to positive affect and high expectancy of future success, such attributions should result in greater willingness to approach to similar achievement tasks in the future.” Considering the self-serving bias dimension discussed in the attribution theory, Generation-Y employees in mentor relationships will have the ability to attribute internal factors for success and external factor-the mentor- for failure. For example, if the employee performs well, it is because of his/her skills and ability whereas if he/she does not perform well, it is because the mentor failed to adequately prepare them. Because of the unusual value this group places on relationships, employers will need to identify ways to engage these employees from the very beginning of the employment relationship. In this instance, protégés will view the mentor relationship positively as long as they are successful.

**Self-Efficacy and Job Satisfaction**

Self-Efficacy is defined as “the conviction that one can successfully execute the behavior required to produce outcomes” (Bandura, 1977). Rooted in Bandura’s concept, Schyns and Von Collani (2002) define occupational self-efficacy as “one’s belief in one’s own ability and competence to perform successfully and effectively in situations and across different tasks in a job.” Employees with high levels of occupational self-efficacy are far more likely to weather the storm and accept changes within their organizations.
Exploring unfamiliar tasks during the training phase of a new career can be stressful, and dissonance between personal expectations and the workplace reality may occur (Hunt & Weintraub, 2002). Many times employees are ill-prepared for the rigorous learning curve. Often, the ambiguity of this fresh experience, combined with anxiety and fear of failure, is overwhelming for young workers (Hastings, 2008). The application of the attribution theory this instance would be “it incorporates cognitive theory and self-efficacy theory.” Studies indicate training and practice may work to increase a worker’s perception of his or her ability (McNatt, Campbell & Hirshfield, 2005). In this sense, mentor relationships may work to counteract the disillusion of Generation-Y workers by allowing for a more personal format for information exchange, a stable and safe environment in which to practice, and guidance throughout the process of maneuvering through the uncertainties of the early days of the employment relationship.

Gouillart and Kelly (1995) stated that “learning builds self-esteem and promotes competence and efficacy in approaching work related problems.” Studies have shown that 70-90% of workplace learning happens through mentoring and informal learning (Pfeffer & Sutton, 2000; Tannenbaum, 1997). The foundational support suggest these younger employees need a collaborative work environment and a feeling of inclusion (Wanguri, 1996). Lankau and Scandura (2002) found support provided by mentorships may result in less confusion on roles and expectations which could lead to greater job satisfaction. The attribution theory suggests when there is a positive affect associated with the attributions and high expectancy of future success, such attributions should result in greater willingness to approach similar achievement tasks (Weiner, 1992). As such, the following is proposed:

*Proposition 1*: Proteges will report higher self-efficacy

*Proposition 2*: Employees with higher self-efficacy will report higher levels of job satisfaction
Organizational commitment is defined as “the relative strength of an individual’s identification with and involvement in particular organization” (Mowday, Porter & Steers, 1982). Employers use the process of socializing new hires as a way to retain high performing employees and foster positive organizational attitudes like organizational commitment (Griffeth, Hom & Gaetner, 2000). One way this may be achieved is through developing and promoting mentor relationships. Several studies on mentorships have shown there to be a positive relationship between mentoring and organizational commitment, corporate responsibility and organizational citizenship (Ayree & Chey, 1994; Chao, Walz & Gardner, 1992; Payne & Huffman, 2005). Thus, the following is proposed:

Proposition 3: Organizational commitment will be positively related to job satisfaction

There is research investigating the relationship between age and job satisfaction that dates back decades. Gibson and Klein provided a summary of the research in 1970, showing that most studies had done little more than offer theories on the relationship, yet stopped short of providing substantial data to support them. Altimus and Tersine (1973) examined the relationship between age and job satisfaction at a micro level in an attempt to determine the sub-factors of job satisfaction. They found that workers in the youngest age group of their sample were significantly less satisfied than workers in other age groups on several intrinsic job variables. Since then, studies examining the correlation between age and job satisfaction have continued, but this appears to be an under-researched area in occupational study (Rekar Munro, 2009).
Companies are realizing the need to proactively address the growing concern of retaining the talent of Generation-Y. In a recent BusinessWeek article (September, 2007), Stef Witteveen, CEO of Randstad North America, explains how the company partners Generation-Y employees with more seasoned employees to facilitate learning and to build trust. At Randstad, every new sales person is given a mentor with whom to work until they develop a solid sales foundation. The organization works to recruit and train a winning team of committed company players, paying special notice to the characteristics of successful, satisfied employees who go on to become leaders within the organization. In 2007, of the 600 people hired by the company, 420 were in their twenties. By employing a formal mentoring system, Randstad has been able to increase the retention rate of those Generation-Y employees by approximately 10 percent.

Proposition 4: Age will impact organizational commitment and job satisfaction

As employers begin to understand more about Generation Y’s need for connections at work, perhaps the most appropriate response a company can have to Zaslow’s (2005) assertion that younger employees need coddling is to institute a formal mentoring program.

Mentoring has been found to increase employee engagement (Wanguri, 1996); improve employee recruitment and retention (Baron, 2000; Conklin, 2002). A study by Dreher and Ash (1990) found that business school graduates with strong mentorship relationships earned higher promotions and generally had higher income than their non-mentored peers. This study also suggests that mentor relationships may affect overall job satisfaction. This leads to the development of the fifth proposition:

Proposition 5: Proteges will have higher levels of job satisfaction

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Job Satisfaction and Turnover Intentions

“Turnover intentions” is defined as an employee’s intention to voluntarily change jobs or companies (Schyns, 2004). Generation-Y employees expect to change organizations frequently and often commence the employment relationship with the intent to leave, or turn over, as soon they perceive a more favorable option (Hastings, 2008). Evidence of corporate scandal has been a part of their daily reality, therefore, they are skeptical of traditional hierarchies and do not subscribe to the idea of company loyalty (Martin & Tulgan, 2002). Barraged by media scrutiny of these scandals, Generation-Y’s experiences have left them with low levels of trust and loyalty for corporate culture (Wolburg & Pokrywczynski, 2001), which increases the probability that under the right circumstances, these employees would not hesitate to leave. Martin (2005) suggests Generation-Y considers one year on the job to be a long-term commitment, and a study by Hastings (2008) found that less than 20 percent of Generation-Y participants anticipate working for the same company for six years or more.

Locke (1969) describes job satisfaction as a multi-dimensional concept which includes perceptions about the ability of the job to fulfill needs (cognitive aspects) and attitudes involving the context of the job (affective aspects). Previous research in this area supports a consistent correlation between job satisfaction and retention (Tett & Meyer 1993, Tourangeau & Cranley, 2006). It is reasonable to suggest that employees who are more satisfied are less likely to leave a position than those who may be less satisfied which leads to the development of the next proposition:
Proposition 6: There will be a negative relationship between job satisfaction and turnover intentions.

Implications for Practitioners

Employee turnover costs the U.S. economy $5 trillion per year (Frank, Finnegan, & Taylor, 2004), and the cost of turnover for Generation-Y is alarmingly high (Martin, 2005; Weaver, 2009), with estimates that turnover within this generation costs firms approximately 1.5 to 1.8 times the worker’s annual salary. More than the tangible and direct costs, such as hiring and recruitment resources to replace the lost employee and onboarding costs associated with training, there are also indirect costs such as loss of productivity and potential loss of business.

The rate at which Generation Y employees “job-hop” and leave the workforce is unlike that of previous generations (Hastings, 2008; Markiewicz, 2003). Most hiring managers would agree that this is a significant problem that requires immediate attention. Organizations are considering measures to develop more meaningful and longstanding relationships with their employees (Conklin, 2002). Some employers have worked to promote retention and increase organizational commitment by focusing on how new hires are socialized (Griffeth, Hom, & Gaetner, 2000).

Employee socialization is an ongoing process which can be used to help the new hire learn and understand the personality of an organization. Many organizations have elected to use mentorships as a tool for behavior modeling throughout the socialization process (Hunt & Michael, 1983; Scandura, 1992). By having mentors demonstrate the desired behavior, new
hires have an opportunity to learn the right way to do things; thereby increasing their own chances of producing successful outcomes. Research has shown that employees who perceive they have achieved more personal learning have also reported higher levels of job satisfaction. (Lankau & Scandura, 2002). It is reasonable to postulate that mentorships, through behavior modeling and knowledge transfer, facilitate more favorable occupational environments. Thus, mentorships would be inversely related to turnover intentions and positively related to job satisfaction and organizational commitment.

**Methodology**

For this study, a mixed-methods approach including focus group discussions, on-on-one interviews, and survey instruments would be used will be used to elicit information about the variables. Whenever possible, existing scales will be used. However, for certain items, new scales will need to be developed.

Participants will be divided into three age ranges: a) workers 29 years of age and younger (in keeping with the definition of Generation-Y provided by Zemke, et. al, 2000). b) workers 30-40 years of age, representing a 10 year span of employees who are possibly mid-career and might have experienced some transitions in the employment relationship; and c) workers 41 years of age and older to encompass those employees who have more work history and who are likely more seriously considering, and possibly developing plans, for post employment.

The focus group and interviews would target employees from small, medium and large companies, a variety of industries, and both public and private sectors. New and well established organizations with a focus on hiring members of Generation-Y will be identified.
References


