

WORKPLACE MOTIVATION ACROSS X, Y, AND Z GENERATIONS: AN ORGANIZATIONAL BEHAVIOR PERSPECTIVE

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ABSTRACT

This research paper explores workplace motivation across Generation X, Generation Y (Millennials), and Generation Z, focusing on the differences in intrinsic and extrinsic motivation factors. It identifies the research gap in understanding generations' preferred leadership and management philosophies, as well as their subtle differences in motivational factors. In addition, this paper will discuss technological adaptation, generational changes in culture, and preferred leadership and management styles. Understanding such differences in generations is crucial for improving workplace productivity and achieving maximum employee satisfaction which are all factors building a successful organizational culture. This paper investigates three key research questions; How do intrinsic and extrinsic motivation factors differ between Generation X, Generation Y (Millennials), and Generation Z in the workplace? What role does technological adaptation play in workplace motivation across different generations? How do the preferred leadership and management styles differ among Generation X, Generation Y, and Generation Z in relation to their motivation and job satisfaction? Through literature review, this study examines current research and theories, such as the Generational Cohort Theory and Maslow's Hierarchy of Needs, to offer a thorough understanding of the differences between generations in workplace motivation. Key findings indicate that there are considerable generational differences in attitudes towards work and motivation. Generation X respects independence and self-governance and has faith in leadership and organizational objectives. While Generation Z places a higher priority on well-being, mental health, and financial stability, Generation Y places more emphasis on work-life balance, transparency, and collaboration. These results advance research by highlighting the need for individualized approaches to motivation. The practical consequences suggest that to satisfy the varied demands of their generational workforce, organizations should modify their communication styles and motivation tactics. Creating a welcoming and inclusive workplace can increase satisfaction among workers.

Keywords: generational differences, workplace motivation, intrinsic and extrinsic motivation, leadership and management styles, technological adaptation

1. INTRODUCTION

Understanding and controlling organizational behavior in a workplace plays a fundamental role in increasing job satisfaction, employee productivity, and obtaining the overall motivation and efficiency of the workplace. Understanding workplace motivation is crucial to the overall functionality and success of a company. As defined in *Organizational Behavior* by Stephen P. Robbins and Timothy A. Judge, the processes that explain a person's level, course, and perseverance of effort regarding achieving a goal are referred to as motivation. Abraham Maslow's hierarchy of needs (Physiological, Safety, Social, Self-esteem, and Self-Actualization) is the most well-known theory of motivation. It states that while no need is ever fully satisfied, a need that is at least partially met ends to be motivating.

According to Maslow, to motivate someone, we need to determine which level of the hierarchy they are currently at and concentrate on meeting their needs at or above that level. Workers who are keen on motivation and enjoy working, are more likely to make valuable contributions to the company, which can increase creativity, productivity, and profitability. Today's ever-evolving society of different cultures, perspectives, attitudes, opinions, and values could be deduced from the differences in generations. However, motivation is not a universal concept. This means that people and generations differ in their values, expectations, and life experiences. Thus, building a motivated and productive workforce requires time and effort in finding ways and strategies to effectively motivate workers from various generations. Managers and other leaders must understand the motivators of various generations, particularly Generation X, Generation Y (also referred to as Millennials), and Generation Z, to effectively engage and retain their workforce. Through literature review, analysis, and discussion, this research essay will provide a comprehensive analysis of various motivation theories and experiments conducted in the last few years regarding differences in generational motivation and performance in the workplace. The purpose of this research essay is to examine workplace motivation in each of these generations by identifying their similarities and differences along with the main habits and values that they implement in organizational behavior. This research essay also aims to outline suggestions for companies on their motivational strategies and provide parameters for future implications.

2. DATA AND METHODOLOGY

Research was conducted based on the data available in the secondary sources. The study delved into various articles exploring workplace motivation across different generations. The sources utilized include works such as Mahmoud et al. (2021), Barford and Hester (2011), Flippin (2017a, 2017b), Kagan and Lissitsa (2023), and Twenge et al. (2010). These articles collectively emphasize the significant generational disparities in workplace attitudes and values. The search was facilitated through databases such as Google Scholar, RIT libraries, Google Books, and ACM Digital Library, employing keywords such as "Workplace motivation in X, Y, Z generations," "Analysis of generation Y," "Work differences in generations," and "Generations X, Y, Z."

Table following on the next page

| Source(s) | Year | Name of the Article | Conclusion |
|--|-------|--|---|
| Mahmoud, A. B., Fuxman, L., Mohr, I., Reisel, W. D., & Grigoriou, N. | 2021 | "We aren't your reincarnation!" Workplace motivation across X, Y and Z generations. | There are significant generational differences in workplace motivation. Generation X values autonomy and job security, Generation Y values collaboration and work-life balance, and Generation Z values financial security and mental health resources. |
| Barford, I., & Hester, P. | 2011 | Analysis of generation Y workforce motivation using multi attribute utility theory. | Generation Y (Millennials) is motivated by opportunities for collaboration, personal growth, and a work-life balance. |
| Flippin, C. S. | 2017a | Generation Z in the Workplace: Helping the Newest Generation in the Workforce Build Successful Working Relationships and Career Paths. | Generation Z values financial security and prioritizes mental health and well-being, showing traits of resilience and individualism. |
| Flippin, C. S. | 2017b | Millennials in the Workplace: Helping the Largest Generation Group Succeed at Work and in Their Careers. | Millennials (Generation Y) are driven by transparency, work-life balance, and opportunities for growth, showing social consciousness and adaptability. |
| Kagan, M., & Lissitsa, S. | 2023 | Generations X, Y, Z: Attitudes toward social workers in the age of media technologies. | Each generation's work attitudes are shaped by their unique formative events, influencing their motivation and attitudes toward social issues and technology. |
| Twenge, J. M., Campbell, S. M., Hoffman, B. J., & Lance, C. E. | 2010 | Generational differences in work values: Leisure and extrinsic values increasing, social and intrinsic values decreasing. | Generational differences in work values are evident, with an increasing focus on extrinsic values like financial rewards and a decreasing focus on social and intrinsic values. |

*Table 1: Overview of the most relevant articles that were used and conclusions.
 (Source: Authors, based on the most relevant sources used)*

| Data Base | Keywords Searched |
|---------------------|---|
| Google Scholar | "Workplace motivation in X, Y, Z generations," "Analysis of generation Y," "Work differences in generations," "Generations X, Y, Z" |
| RIT libraries | "Attitudes of generations X, Y, Z," "Generational differences in work" |
| Google Books | "Generation Z in the workplace," "Generation Y in the workplace" |
| ACM Digital Library | "Generational differences in workplace," "Generational motivation" |

*Table 2: Overview of the most relevant databases and keywords that were used.
 (Source: Authors, based on the most relevant sources used)*

3. LITERATURE REVIEW

3.1. Generational Cohort Theory

According to the Generational Cohort Theory, which was proposed by Inglehart in 1977, it is possible to divide a population into generations based on similar characteristics. According to this theory, a cohort consists of people who were born 20–25 years apart or more. The theory suggests that a generational cohort consists of individuals with similar ideas, values, beliefs, and attitudes as a result of common experiences and events—economic, social, and political—shared by the cohort during their formative early adulthood years from ages 17 to 24 (Strauss & Howe, 1991). This statement can also be supported by Twenge et al. (2010), individuals coming from the same generation have experienced and shared comparable historical, social, and cultural events, which nowadays, have shaped the development of their attitudes and values.

3.2. Generational categories

A research study titled *"We aren't your reincarnation!" Workplace motivation across X, Y and Z generations* ", was written by Mahmoud, A. B., Fuxman, L., Mohr, I., Reisel, W. D., & Grigoriou, where they divided the different generations into the following categories:

- 1) Generation X – individuals born between 1965 and 1981.
- 2) Generation Y – individuals born between 1982 and 1999.
- 3) Generation Z – individuals born between 2000 and 2012.

According to M. Kagan and S. Lissitsa, "The early 1980s and 1990s, the formative years of Generation X individuals, was a period of economic recession, higher divorce rates and the spread of AIDS." To summarize, there was a great deal of social and economic uncertainty that impacted the childhood and adulthood of Generation X. During this time, Generation X children needed to become mature and independent quicker than anticipated. Generation X individuals have a strong need for surveillance because they want to be aware of activities and acts occurring nationally and internationally. The common characteristics generally associated with Generation X are "individualism, self-reliance, skepticism, a lack of social skills, and strong technical ability" (Barford & Hester, 2011). As mentioned in the works of Shaw & Fairhurst (2008), Generation X members are perceived as pessimistic, cynical, and socially insecure individuals lacking in traditional values. On the other hand, Generation Y's formative years aligned with economic expansion. As for Generation Y, they grew up during a time when technological development accelerated, including the introduction of the Internet. During this time, the use of social media grew, globalization trends expanded, and popular culture exerted a profound influence on people's lifestyles. According to Kagan and Lissitsa (2023), Generation Y is renowned for being socially conscious and passionate about social justice issues. They are quick and energetic, which allows them to multitask. Compared to other generations, Generation Y appears to take a more relaxed and enjoyable approach and utilize new technologies in many of their social interactions, hobbies, friendships, and civic engagements. As mentioned in the study by Mahmoud et al. (2021), being given the chance to grow as an employee, encouraging transparency and authenticity, and emphasizing work-life balance are all considered to be highly motivating to the Generation Y. "Generation Z was molded by a series of recessions and financial crises, wars and threats of terrorism, political unrest and the constant presence of social media." (Parment, 2011) We may therefore assume that Generation Z requires an elevated level of surveillance similar to Generation X. Compared to earlier generations, Generation Z members have experienced mental health issues and their fair share of difficulties. They are more inclined to look for resources and assistance on regulating their mental health and wellbeing. The characteristics of Generation Z tend toward pessimism and anxiety about their future as well as lack of trust in others (Adamy, 2018). Moreover, as organizations increasingly focus on diversity and inclusion, understanding the nuances of generational differences in the workplace becomes imperative for fostering a harmonious and productive environment across all age groups (Parry & Urwin, 2011)

| Generation | Birth Years | Key Formative Events | Core Characteristics |
|------------|-------------|---|--|
| X | 1965 – 1981 | Economic recession, AIDS, higher divorce rates | Individualism, self-reliance, scepticism |
| Y | 1982 – 1999 | Technological advancements, rise of Internet, globalization | Socially conscious, multitasking, relaxed approach |
| Z | 2000 - 2012 | Economic recessions, financial crises, rise of social media | Pessimism, anxiety, focus on mental health |

*Table 3: Overview of generational cohorts characteristics based on birth year.
 (Source: Authors, based on the most relevant sources used)*

| Generation | Extrinsic Motivation Factors | Intrinsic Motivation Factors |
|------------|--|---|
| X | Financial rewards, job security | Autonomy, independence, self-direction |
| Y | Work-life balance, collaboration opportunities | Personal growth, transparency, authenticity |
| Z | Materialistic rewards, financial security | Well-being, mental health resources, resilience |

*Table 4: Overview of generational motivational factors based on birth year.
 (Source: Authors, based on the most relevant sources used)*

4. RESULTS

4.1. Generational variations in motivation

Based on preliminary and comprehensive research, it appears that Generation X, Y, and Z differ significantly in terms of intrinsic and extrinsic motivation factors. Autonomy and independence are valued equally by Generation X, but financial rewards and job security are valued more. In contrast, Generation Y places a strong emphasis on opportunities for collaboration, personal development, and work-life balance. While Generation Z is very focused on materialistic rewards and financial security, they also place a lot of emphasis on mental health resources and well-being.

4.2. Motivational drivers of generation X

Generation X is shaped by various economic recessions and social destructions which lead them to develop traits of individualism, self-reliance, and skepticism. This generation seems to value autonomy, independence, and self-direction. When it comes to work attitudes, Generation X is most motivated as they value social extrinsic regulations as a source of employees' overall motivation. Similarly, they trust their managers and supervisors and they put complete faith in the goals and objectives of the organization without doubting ethical aspects.

4.3. Motivational drivers of generation Y

Generation Y, also known as Millennials, grew up during a time of rapid technological advancements and globalization. This makes the generations very adaptable to change, conscious of social issues, and enthusiastic about their rights. When it comes to work attitudes, Generation Y is similar to Generation X, as they are motivated by extrinsic work values. They value work-life balance and opportunities for collaboration, both in their personal and professional aspect. However, Generation Z dislikes hierarchies and is often characterized as impatient. Generation Y can be motivated as long as their managers are transparent, inclusive, and supportive and align with their personal values in the workplace.

4.4. Motivational drivers of generation Z

Generation Z is the newest entrant to the workforce; however, they have also been shaped by various economic uncertainties, rapid and uncontrollable growth of social media, and political conflicts. Not only this but due to rapid use of technology in their childhood, they lack face-to-face conversation and often portray signs of anxiety, mental health issues and are more sensitive. Nevertheless, some are still very vocal and exhibit traits of resilience and individualism. Generation Z is aware of obtaining financial security, but they will always prioritize their well-being over the measurable success of an organization. They are similar to Generation Y as they value having a fair work-life balance. When it comes to work attitudes, Generation Z is motivated by materialistic extrinsic regulations. Finally, intrinsic motivation contributes more to Generation Z employees' overall work motivation than it does for Generation X and Generation Y.

4.5. Generational differences in technological adaptation

According to a study by Shelley et al. (2004), it was stated that lack of access to and familiarity with IT worsens the ability of older individuals. This study highlights how differences in involvement across age groups can be reflected in technological literacy by examining the effects of generational and socioeconomic differences on IT literacy and motivation in the workplace. Another study points out "...Currently, three generations...have a different approach to (technological) changes being implemented nowadays" (Grenčíková & Vojtovič, 2017). For example, compared to Generation Y and Z, Generation X may display separated technological adaptations and motivations due to the economic recessions and technological advancements of the late 20th century. Generation X workers may approach IT with a combination of traditional work values and pragmatic technology use due to having experienced the shift to digital technologies later in their careers. In contrast, Generation Y and Z, born into the digital age, might be more accustomed to and knowledgeable about IT tools, incorporating them easily into their daily workdays and indicating a preference for work environments that prioritize innovation and adaptability in technology.

4.6. Generational differences in leadership communication styles and preferences

In regard to communicational styles and preferences, Generation X tends to have different communication preferences from those of younger generations. However, Generation X and Generation Y are more similar to each other in communication types and more different than Generation Z. For instance, Generation Z does not prefer to use e-mail to communicate in the workplace. They are most interested in texting (Seemiller and Grace, 2019), which is not ideal for Generation X. Generation X is defined as self-directed, skeptical, and autonomous, born during a time of rapid change. They seek a balance between their work life and personal life and are not motivated by authority and micromanagement (Waltz et al., 2020). Generation Y is often seen as confident, connected, and adaptable (Taylor and Keeter, 2010). Employees from Generation Z are aware of the importance of financial security and the satisfaction that comes from doing well at work. However, they are strongly against and disagree with the thought of sacrificing their lives for professional success. (Flippin, 2017a). Both Generation Y and Generation Z are deemed to be more ethnically diverse than any previous generation (Flippin, 2017a, b). A useful strategy suggested by Baum (2019) when employing Generation Y is to give them a "voice" by engaging them in work-related conversations.

5. DISCUSSION

5.1. Implications of the literature review

Generational differences are one of the main causes of conflict in the workplace as due to mixing generations in a single organization. According to Mahmoud et al. (2021), "employers need to detect and understand generational differences, which may predict motivation to perform on the job." As a result, to adjust to the changing and diverse nature of a workforce, organizations need to continuously change and implement adequate organizational practices to meet the needs of their different generational workforces. Similarly, "if employees are not motivated to perform their tasks, this will significantly affect the development and success of an organization" (Mahmoud and Reisel, 2014). Mahmoud et al. (2021) argue that it is crucial to understand generational differences in the workplace as they may lead to conflict and low engagement among employees and management. However, if generational differences are effectively managed, a positive work culture can be created, and employee motivation and engagement should increase. For instance, companies could offer a supportive work environment with transparent procedures, clear reward systems, and unambiguous development indicators when hiring members of younger generations, such as Generation Y and Generation Z.

Another example shown in previous studies, emphasized that communications is another way of overcoming conflicts in the workplace due to generational differences. Communication styles vary across generations but can also serve as a helpful guide to mitigating conflicts and improving harmony in the workplace where employees feel valued, heard, and motivated to do their best.

5.2. Limitations and future research

The scope of this study was restricted to analysing general workplace motivation factors for Generations X, Y, and Z. Subsequent studies may focus on certain sectors like technology, healthcare, and education to see how generational motivation differences appear in different work environments. Furthermore, given the increasing popularity of remote and hybrid work arrangements since the pandemic, investigating the effects of these work arrangements on generational motivation would yield insightful information. Examining how organizational culture and particular approaches to leadership affect motivation in various generations could add to our knowledge and provide more focused methods for raising worker satisfaction and output.

6. CONCLUSION

In conclusion, enhancing job satisfaction, productivity, and general employee motivation in the workplace requires the awareness and ability to manage generational differences. Every generation brings its values, preferences, and communication styles to the workplace, shaped by its own experiences and cultural shifts. Due to social turmoil and economic instability, Generation X places a high importance on independence, self-reliance, and autonomy. They are driven by material gains and have faith in their managers' and supervisors' abilities to lead. On the other hand, work-life balance, teamwork, and transparency in the workplace are highly valued by Generation Z and Generation Y (Millennials). They appreciate chances for both professional and personal development, are socially conscious, and look for purpose in their work. Adapting to new technologies is essential for inspiring future generations. When given access to cutting-edge technical tools and platforms, Generation Y and Generation Z exhibit higher levels of job motivation, favouring contemporary and effective workflow and communication techniques. However, Generation X tends to favour more conventional approaches, yet they are willing to adopt new technologies when needed. Organizations must implement proactive strategies that cater to the preferences of each generation to manage generational differences effectively. This could mean establishing a welcoming workplace, providing clear guidelines, understandable incentive structures, and chances for both personal and professional advancement. Harmony in the workplace and the resolution of conflicts resulting from generational differences also depend on effective communication. Organizations can foster a culture where employees feel appreciated, respected, and inspired to give their best work by encouraging open communication and understanding among generations. In the end, valuing generational diversity can increase job satisfaction and organizational performance. Managers and other leaders need to modify their policies and practices to accommodate their multigenerational workforce as it continues to change.

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