Generation Y: Incentive and Reward Schemes

By

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STATEMENT OF ORIGINAL AUTHORSHIP

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Abstract

Due to the constant changes in workforce and generational composition, employee retention and recruitment has been a major problem. Currently there are three generations working side by side in the workforce namely; the Baby Boomer Generation, Generation X and Generation Y. This research has focused on the most effective ways in which to motivate, attract and retain employees, in particular Generation Y employees. This is important as an employee's motivation and performance has an impact on the company's success. Different generational members have different generational characteristics as well as individual differences and failure by mangers to understand the generational and individual differences can result in misunderstandings, miscommunication, conflict and performance issues. By providing managers with the necessary knowledge to understand employees, effective incentive and reward schemes can be designed and implemented. Using Vroom's Expectancy Theory framework, this study examines Generation Y and X employees in New Zealand accounting and commerce industries in order to understand their preferences, feelings and opinions on the matter of motivation, employee retention and attraction, as well as their perceived generational characteristics. A focus group method was used in order to gather the necessary data. The results illustrate that the characteristics of Generation Y participants did not agree with most of the existing literature on what types of incentive schemes are most effective for these employees, while also pointing out that these employees are also driven by cultural and individual differences. As this study was industry and generational specific, it allowed the gathering of in-depth information, opinions and feelings that contributes to existing literature as well as being the first of its kind due to being executed in New Zealand.

Key words:

Generational characteristics, incentive and reward schemes, Expectancy Theory, Generation Y, New Zealand

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Chapter 1: Introduction

1.1. Background and motivation of the research

The workforce today is significantly different than it was thirty or forty years ago. From an increase in women employees, to rapid technological advances, to several financial crises, the workplace has changed greatly over the years and faces many challenges. One challenge is the workforce composition or specifically, the generational composition. Currently three generations are coexisting in the workforce namely: the Baby Boomer Generation, Generation X and Generation Y. Different generational members working together has significant implications and challenges for companies and employers, including causing misunderstandings, conflict, miscommunication and mixed signals (Smola & Sutton, 2002; Westerman & Yamamura, 2007). It also influences an employee's satisfaction, commitment and attitude in the workplace (Parry & Urwin, 2011); as well as causing recruitment and retention problems (Neal, 2014; Nelson, 2007). In the USA, Certified Public Accountants (CPAs) have ranked employee recruitment and retention as a major problem for the seventh year in a row, with 86% believing this problem may result from a generational gap in the workplace (Westerman & Yamamura, 2007). Therefore, an understanding of each generation's inherent characteristics, values and motivations are central to addressing this problem and thus the broad objective of this paper is to identify the most effective incentive and reward schemes for employees.

Each generation shares its own experiences and events due to the period they were born into and as a result, these members develop a personality (or generational characteristics) that is unique to each generation (Kupperschmidt, 2000). For example, the Baby Boomer Generation members are characterized as very self-indulgent, competitive and self-interested (Nelson, 2007; Westerman & Yamamura, 2007). Generation X members are perceived to be loyal to themselves first and in some cases are skeptical of authority and institutions (Nelson, 2007; Westerman & Yamamura, 2007). Generation Y members are said to only commit to an organization for one year or less, be techno savvy and crave high salaries and flexible work arrangements (Martin, 2005; Westerman & Yamamura, 2007; Smola & Sutton, 2002).

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These generational experiences and characteristics are believed to influence employee's feelings towards an organization, what they value from work and what they need to be satisfied in the workplace (Westerman & Yamamura, 2007). By understanding these generational characteristics and other employee differences, motivations and values, managers can use these preferences as building blocks for effective recruitment, training, hiring, motivating and retention programs (Westerman & Yamamura, 2007; Smola & Sutton, 2002).

Incentive and reward schemes are used to reward employees for good work, motivate low-performing employees to work harder and to increase employee satisfaction and motivation in general (Erbasi & Arat, 2012). The performance, satisfaction and motivation of employees are important as they contribute to the success of the organization in which they work, and therefore it is important to understand, manage and build on these elements (Hull, 2013). The ability of an organization to attract, retain and motivate employees also affects the success of that organization (Mason & Watts, 2010). There has been a large amount of research that investigates which types of incentive and reward schemes are most effective (both financial and non-financial schemes), but no research has been conducted to determine how generational characteristics and other individual factors influence the effectiveness of these schemes. This research strives to address this research gap.

Chapter 1 sets the tone for the thesis by outlining its research objective and questions, the theoretical framework and methodology, the significance of this research and prior research as well as contributing to the existing literature on both generational characteristics and incentive and reward schemes.

1.2. Research objective and questions

The objective of this research is to determine what type of incentive and reward schemes will be the most effective for Generation Y members in accounting firms. This research is critical due to the difficulties surrounding the retention and attraction of employees (discussed in section 1.1), which will ultimately affect a company's success (Paine, 2014). This study will rely on three primary questions, each formulated to address a unique aspect of the objective. Prior research on generational characteristics and their impact on the workforce is highly contradictory and generalized, thus it is imperative to determine if the generational characteristics attributed to

specific generations actually manifest as such in the workplace and what impact it has in the work environment and in particular occupations.

According to Gursoy, Maier and Chi (2008) Baby Boomer Generation members live to work, respect hierarchy and authority, but show resistance to learning new things such as technology. Generation X members work to live, expect to be rewarded instantly for good performance, enjoy fun work environments, enjoy flexible work hours and independence, but don't like waiting in line for a promotion. Generation Y members believe in colloboration and team work, are optimistic, like to keep their career options open and take technology for granted. These generational characteristics affect an employee's productivity, job satisfaction and performance, therefore a good understanding of these charactetistics are essential to both the employee and employer (Hamner, 1975). Research question one addresses this challenge and is as follows:

> *Do Generation Y employees in the workplace have different generational characteristics to what is expected and in comparison to other generations, and if so, in what way do they impact on the workplace?*

Furthermore, Kupperschmidt (2000) suggest there are individual differences within generations. Factors such as work values (Whiteoak, Crawford, & Mapstone, 2006), gender (Lipmann, 2008), and culture (Huichun, 2003) can potentially have an impact on employees in the workplace. In order to manage an employee's productivity, motivation and satisfaction in the workplace, it is critical to consider these non-generational factors and differences (Smola & Sutton, 2002; Kupperschmidt, 2002) as well. The second research question attempts to identify and tease out these individual factors and is as follows:

> *Are there other factors besides generational characteristics that differentiate employees in the workplace, and if so, what are these factors?*

Once generational characteristics and individual factors affecting employee's satisfaction, motivation and performance are understood, they can be used to influence employees

appropriately. Chapter 3 outlines the theory in this research, which is Vroom's Expectancy Theory. This theory states that in order for managers to encourage employees to perform better, the employee must have a preference for and value the reward or incentive which is offered in return for the higher performance. There are different types of incentive and reward schemes and in order to design and implement effective schemes, both generational characteristics and individual factors need to be understood and considered.

In addition to employees being driven by generational characteristics and individual factors, their choice of occupation (or field of tertiary study) may also drive their reward preferences and differences. In order to determine whether occupation and degree choice has an impact on an employee's incentive and reward preferences the study will focus on one occupation, that of accounting. Research question three addresses this challenge and is as follows:

> *What are the most effective types of incentive and reward schemes for Generation Y members in an accounting firm, and why?*

Once these three questions have been addressed, a better understanding of generational characteristics, their impacts and how they affect the workplace will be gained. In addition to this, other factors that potentially drive employee differences will have been identified. An understanding of generational characteristics, other individual factors and differences can be used, as the theory suggests, to improve employee satisfaction, motivation and performance in an effective manner.

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1.3. Research method

This research seeks to determine whether Generation Y employees in the workplace have distinct generational characteristics, whether these have an impact in the workplace and whether there are other factors that drive individual differences. Additionally, it examines what types of incentive and reward schemes are the most effective for Generation Y employees in accounting firms. This data and information is obtainable only through in-depth discussions with individuals as it is personal and very subjective information. This research and its associated research method is thus descriptive and qualitative in nature, although it does use some quantitative tools.

The method of data collection decided upon was focus group interviews. It allows the researcher to gather valuable and in-depth information within a short time and with multiple participants (Sekeran & Bougie, 2013; Liamputtong, 2011). Three participant groups were included that permitted the researcher to examine firstly, generational differences; secondly, occupational differences and thirdly, any other differences that might differentiate employees such as culture, gender and age. The focus groups were held in groups of up to 4 participants for an hour per session and were aimed at obtaining a greater understanding of the participants' attitudes, behavior, opinions and perceptions on the research issue (Liamputtong, 2011). Chapter 4 explains the research method in more detail.

The findings were analyzed using a technique called *Constant Comparison Analysis Technique* (Onwuegbuzie, Dickinson, & Leech, 2009) and the process involved examining, categorizing and tabulating the data (Rabiee, 2004). The findings of the study are presented in Chapter 5.

1.4. Significance and contributions of the research

The research presented in this thesis is significant for four reasons and will contribute to existing knowledge and to workplace practice. Firstly, this study brings together two important areas of research: generational characteristics and their impact on the workforce as well as the effectiveness of different types of incentive and reward schemes. It is important to realize that different incentive schemes have different effects on different individuals, depending on their

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preferences, personal or generational characteristics and what they value as rewards (Vroom, 1964). Therefore, a thorough understanding of the relationship between an employee's preferences and characteristics, their work environment and incentive schemes is important. The current literature on both research areas is large, but highly contradictory (Westerman & Yamamura, 2007)

Secondly, most of the literature and previous studies on both areas of research (generational characteristics and incentive and reward schemes) are predominantly based on generalizations and not focused in particular industries, companies, employees and generations (Kupperschmidt, 2000). This research focuses on accounting firms and Generation Y employees within the same geographical location. As such, the research is very focused and done within a narrow scope. As this study is qualitative in nature, it allows the employees' individual feelings, opinions and preferences to be captured and retained without being generalized to all industries, companies or employees.

Thirdly, the data for the research was collected in New Zealand, instead of the USA, therefore making this study, the first of its kind in New Zealand. New Zealand is a diverse country with many different cultures, genders, races and personalities, which makes it the ideal population from which to choose participants for the research.

Lastly, this research has practical implications as it will provide mangers with the necessary knowledge and tools to understand, manage, recruit, retain and motivate mainly, Generation Y employees in accounting firms. It will make a concrete contribution to understanding the workforce. As employee retention has been a major problem in recent years, this knowledge will help in managing different employees and the designing of incentive and reward schemes for these Generation Y employees in accounting firms.

1.5. Thesis structure

The remainder of the thesis is organized as follows. In Chapter 2, the prior literature and research is reviewed in order to understand generational characteristics, incentive and reward schemes as well as the relationship between them. The gaps in prior research are then identified and the research questions posed. Chapter 3 justifies and outlines Vroom's Expectancy Theory, which is the theoretical framework for the research. The method used to collect and analyze the data is explained in Chapter 4. Chapter 5 discusses the results and Chapter 6 addresses the research questions, provides ideas for future research and provides some concluding comments.

1.6. Chapter summary

This chapter provided a brief outline of generational characteristics, incentive and reward schemes and the need for more research in the area, which motivates this study. The chapter outlined the research objective, research questions, theoretical framework and method of data collection and analysis. The chapter then discussed the significance and contribution of the research before closing off with the thesis structure. The next chapter will review previous research and literature on the topic of interest and identify the research gap and questions.

Chapter 2: Literature review

2.1. Introduction

The literature review chapter is divided into three parts for simplicity as the research explores two distinct areas of interest and combines them in order to address the research objective and questions. Part I contains the literature on generational characteristics with the focus being Generation Y members; their needs, impact on the workplace, the importance of understanding these characteristics and what other factors can drive differences in generations and individuals. Part II relates to incentive and reward schemes and examines the effects of two different incentive schemes – financial and non-financial, on Generation Y employees in accounting firms. Part III brings the previous two parts together and identifies the research objective, questions and gap.

2.2. Part I: Generational characteristics

2.2.1. What are generational characteristics?

Today's workplace finds three generations working side by side – the Baby Boomer Generation, Generation X and Generation Y. Having three Generations together, can have significant implications and challenges (Neal, 2014; Nelson, 2007). A *generation* is defined as an identifiable group that shares birth years and significant life events at critical development stages (Westerman & Yamamura, 2007; Smola & Sutton, 2002; Parry & Urwin, 2011; Kupperschmidt, 2000). Each of the three generations has their own set of values and attitudes as a result of their shared experiences and events (Parry & Urwin, 2011). Individuals cannot be members of the same generation purely based on the fact that they share a year of birth, must be in a position to participate in and experience these shared events in order to create a bond between members of the same generation (Parry & Urwin, 2011). As a result members also develop a personality or generational characteristic that is unique to them (Kupperschmidt, 2000). There are thus common characteristics that research suggests are unique to particular generations and other characteristics that some of these generations share. The next section discusses the main generations currently in the workforce and their inherited characteristics.

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2.2.2. Generational characteristics of the three generations currently in the workforce

The Baby Boomer Generation

The Baby Boomer Generation currently accounts for most mid-level to upper-level management employees in organizations (Nelson, 2007). They are employees that were born between 1946-1963 (Nelson, 2007), 1943-1960 (Parry & Urwin, 2011), 1940-1964 (Smola & Sutton, 2002) or 1946-1964 (Westerman & Yamamura, 2007). For simplicity, the date used for this study to identify Baby Boomers is the birth year from 1940-1962. These employees and individuals grew-up in post-war prosperity (Nelson, 2007) and were affected by events such as the Vietnam War, the Civil Rights movement and much more (Smola & Sutton, 2002).

The Baby Boomer Generation is one that likes to win, to make an impact on every task they undertake (Nelson, 2007), are very competitive and self-indulgent (Nelson, 2007), are independent thinkers and in some cases have a 'healthy disrespect for authority'. They believe they are special and that it is their right for all their needs to be met (Westerman & Yamamura, 2007). These individuals grew up embracing the psychology of entitlement and expecting the best from life (Smola & Sutton, 2002) and thus, are associated with values such as team orientation, personal gratification and optimism (Westerman & Yamamura, 2007).

The biggest challenge for managers when dealing with the Baby Boomer Generation is to retain them. It is the first generation that has not had to live with the traditional thinking that what you are trained to do, you will do for the rest of your life (Nelson, 2007). They easily move from one company to the next and thus these employees are often retained for a short period only. Incentives need to be designed around the fact that these employees are likely to be well travelled; they live for new experiences and also enjoy to be pampered. These employees may value non-financial incentives, such as flexible work arrangements or more free time: if they choose to work past the traditional retirement age of 65 (Nelson, 2007).

Generation X

This generation was born between 1964-1981 (Nelson, 2007), 1961-1981 (Parry & Urwin, 2011) or 1960-1982 (Smola & Sutton, 2002). For simplicity, the date used for this study to identify Generation X participants is the birth year from 1963-1980. The members of this generation are also referred to as the Thirteenth, Baby Busters and the Lost Generation (Parry & Urwin, 2011). These individuals grew up with financial, family and societal insecurities, witnessed rapid change including technological change, increasing diversity and a lack of solid traditions (Smola & Sutton, 2002). They grew up in homes where it was common to have both parents work, or with only one parent due to the increasing divorce rate and as a result turned to small groups of friends for support. These individuals were also heavily influenced by the spread of AIDS, world competition and MTV (Smola & Sutton, 2002; Westerman & Yamamura, 2007).

Generation X entered the workforce at a time of downsizing and cutbacks and as a result these employees are loyal to themselves first and may be skeptical of authority and institutions (Nelson, 2007; Westerman & Yamamura, 2007). Generation X employees can be loyal, committed, focused and energized if placed in the right environment. They seek work environments where they can do challenging and meaningful as well as exciting work (Nelson, 2007). These employees use their team and colleagues to support their own individual efforts and relationships. However, they crave mentors and highly value stable family and work relationships (Smola & Sutton, 2002). Managers in the workforce need to design incentive schemes around the fact that these employees enjoy having fun and social events, want opportunities to interact with management and colleagues and are accustomed to training (Nelson, 2007).

Generation Y

Generation Y members are born between 1982-1995 (Nelson, 2007), 1978-1988 (Martin, 2005) or 1982 - undecided (Parry & Urwin, 2011). For simplicity, the date used for this study to identify Generation Y members is the birth year from 1981-1995. These members are referred to by many names including:

- Millennials (Parry & Urwin, 2011; Nelson, 2007; Martin, 2005);
- Eco boomers (Parry & Urwin, 2011; Nelson, 2007);
- Nexters (Parry & Urwin, 2011; Martin, 2005);
- Next Generation (Smola & Sutton, 2002); or
- Generation www, Digital Generation, Generation E, N-gens (Martin, 2005).

In contrast, Generation Y members refer to themselves as: Non-nuclear, Family Generation, The Nothing-Is-Sacred Generation, The Wannabees, The Feel-Good Generation, Cyberkids, The Do-Or-Die Generation, or The Searching-For-An-Identity Generation (Martin, 2005).

Research shows the biggest struggle for managers in the workforce is that they cannot retain employees (Neal, 2014). Generation Y employees want meaningful and purposeful work, but they also want a positive workplace culture which is more important to this generation than for any other (Neal, 2014). Generation Y members want it all 'now' and prefer to start meaningful work from day one, rather than work on the bottom level for a few years (Nelson, 2007). Generation Y employees are very committed employees, but are only willing to commit to organizations for one year (Martin, 2005). These employees want to be part of teams that consist of highly committed and motivated colleagues as their intention is to make a large amount of money while at the same time working in their ideal career and living their own idea of an ideal lifestyle (Martin, 2005).

There are a few common characteristics that research suggest applies to most members of Generation Y:

- They want direction and managerial support in the work place, but value autonomy and freedom to get the task done in their own way and at their own pace (Martin, 2005).

- They are techno-savvy and very technologically competent, while being plugged in 24 hours a day (Smola & Sutton, 2002; Westerman & Yamamura, 2007).

- One year for these employees is a long-term commitment while three years is too long. They are not attracted to companies by promises of climbing the promotional ladder, paying dues, or cashing out at retirement, but rather want to know what you can offer them now (Martin, 2005). This generation is seen as being impatient for action and leadership and thus they may decide to leave an organization after six months due to the lack of opportunities, or the delay in opportunities (Neal, 2014).

- They are willing to take on new challenges and responsibilities, but are not willing to sacrifice their ability to enjoy life and the relationships they have with friends and family (Nelson, 2007).

- All three generations hate micromanaging, but when this generation has time on their hands, they are easily bored (Martin, 2005).

- They crave high salaries, flexible work arrangements and more financial leverage than any other generation (Smola & Sutton, 2002).

- This generation expects daily feedback in order to stay on track (Martin, 2005).

Generation Y members have a healthy appetite for work, but organizations need to build incentives around the fact that they need to feel important, valued and appreciated (Smola & Sutton, 2002). This can be achieved through feedback, inclusion, trust, respect, thanks and simply by having fun (Nelson, 2007).

2.2.3. The importance of examining and understanding generational characteristics in the workplace

As is evident from section 2.2.2, the experiences and events that members from the same generation experience, influences their feelings towards an organization, what they value from work, and what an individual needs to be satisfied. It is very important that all individuals in an organization, especially managers, understand the differences between and relationships among the preferences for incentive and reward schemes these different generational members have. Research suggests there are no substantive differences in work environment preference between Generation X and Y (Westerman & Yamamura, 2007). However, other research has found some generational differences and argues these differences have important implications for organizations (Smola & Sutton, 2002; Parry & Urwin, 2011).

Generational differences witnessed in the workplace relate to workplace 'diversity' in the wider literature. It is suggested that successful management of a large and diverse group of employees leads to various business benefits (Parry & Urwin, 2011). Different cultures and can also drive differences between employees. Further, diversity can arise as a result of the differing values and preferences that the generations bring to the workplace (Parry & Urwin, 2011). Although examination and research of generational differences among employees is very important, it is underdeveloped in management research (Westerman & Yamamura, 2007) and the literature that does exist, has contrasting evidence (Parry & Urwin, 2011). The other limitation or weakness with existing literature is that all the research were based in the US (Parry & Urwin, 2011) and may not reflect the workplace in other countries such as New Zealand.

Failure by managers to understand and manage these generational differences potentially affects employee productivity, satisfaction, innovation, and corporate citizenship, which could ultimately result in problems with employee retention and turnover (Westerman & Yamamura, 2007; Kupperschmidt, 2000). In support, the professional accounting industry in the USA has found that 86% of CPA's believe there is a generational gap in the workplace and for the seventh year now, ranked employee recruitment and retention as a top concern (Westerman & Yamamura, 2007).

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Managers are encouraged to address generational differences by creating opportunities for open discussions of what different generational members are looking for in a job, what they are motivated by, what they prefer as rewards and what organizational factors attract and retain multigenerational employees (Kupperschmidt, 2000). Once the generational differences and the relationships in relation to preferences and motivators have been identified, they can be used as building blocks for an effective recruitment, training and hiring process (Westerman & Yamamura, 2007). Understanding the impact of generational differences on employee productivity, innovation, satisfaction and corporate citizenship help design and implement more effective incentive and reward schemes (Smola & Sutton, 2002).

Gursoy, Maier and Chi (2008) use in-depth focus groups to explore the different characteristics that define each generation in a workplace. They suggest the biggest difference between generations are their attitudes towards authority and the perceived importance of work in their daily lives. Baby Boomer Generation members live to work and they respect hierarchy and authority, however they show resistance to learning new things (especially technology). Generation X members work to live and expect to be rewarded instantly for good performance. They need fun work environments, flexible work hours and independence and don't like waiting in line for a promotion. Generation Y members believe in colloboration and team work, are optimistic, trust centralised authority, like to keep their career options open and take technology for granted.

Generational differences potentially effect the design and impact of different incentive and reward schemes on employees productivity, job satisfaction and performance and therefore a good understanding of these differences are crucial. Some researchers argue that certain incentive schemes may not improve performance because managers mismanage these schemes or they do not possess the necessary skills to understand the schemes. Alternatively, in may cases, it may not be the incentive scheme in principle that is flawed, but a lack of knowledge about generational characteristics and how they interact with the incentive schemes (Hamner, 1975).

Nonetheless, as Parry and Urwin (2011) point out, countries are culturally, technologically, historically and politically different and thus the impact of a potential 'national culture' needs to be considered. Further, generational characteristics are generalizations and thus individual

differences within generations may exist (Kupperschmidt, 2000). The possibility of other factors causing differences within generations is examined next.

2.2.4. Differentiating factors within generations

In addition to generational characteristics driving employee differences, there are also other individual characteristics within each generation that drives an employee's preferences. These characteristics below are explored in conjunction with generational characteristics, and are referred to as 'differentiating factors' and include gender, educational, occupational, work value, phase of career and cultural potential factors. Figure 2.1 presents this concept, with each of the differentiating factors being discussed below:

Figure 2.1: Employee, generational characteristics and differentiating factors
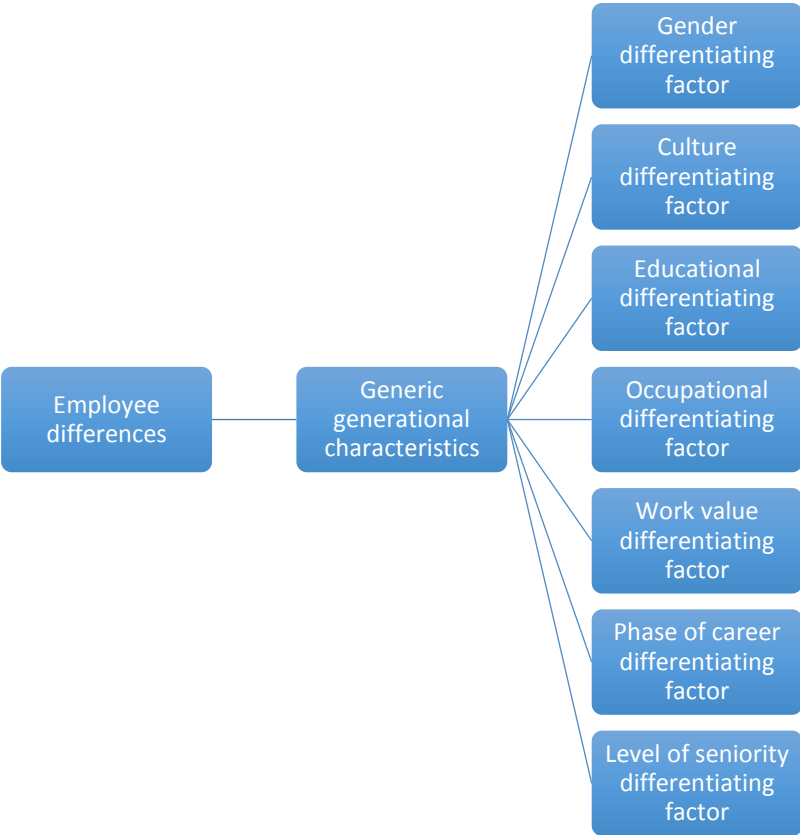
Cultural, gender, educational and work value differentiating factors

Murphy, Gordon and Anderson (2004) use a survey to examine cross-cultural age and generational differences in work values between the USA and Japan and suggests some differences between employees within multiple generations. Lipmann (2008) suggest that ethnic differences as well as gender differences also exist between employees and multiple generations. In addition, Eskilson and Wiley (1999) argue there are significant differences between race, gender and social class values and goals of Generation X students. Differences between Western and Taiwanese culture were also identified in a study by Hui-Chun (2003), but no educational differences were identified in employees from the Baby Boomer generation, Generation X and Generation Y. Parker and Chusmir (1990) use a value scale to assess basic work values and argue there are some significant gender differences within the Baby Boomer generations. Therefore, previous research suggests that in addition to generic generational differences; age, gender and race/ ethinicity may be important factors within generations.

Research further suggests, that work values and culture (between Veterans Generation, the Baby Boomer Generation, Generation X and Generation Y) can have a significant influence in the workplace, by affecting an employee's satisfaction, commitment and attitude in the work environment (Parry & Urwin, 2011). Whiteoak, Crawford, & Mapstone (2006) use a cross sectional survey to examine attitudes and values of different generational members (employees who were born 60 year ago) and found that some values and attitudes of people in the Middle East change (e.g. individualism), but other do not (e.g. the Islamic work ethic). Another cross-sectional survey examined the generational differences in work values in hospital mangers within the Baby Boomer generation, Generation X and Generation Y (Chen & Choi, 2008).

Phase of an employee's career differentiating factor

Smola and Sutton (2002) use a questionnaire to examine whether generations differ within different cultures and countries. They wanted to determine whether individual work values were influenced by generational experiences or whether they change over time with maturity. Their results suggest that work attitudes, values and job satisfaction will change as employees pass through different career phases. Instead of employees becoming more responsible and supportive of the organization they developed a less idealised view of work. They also suggest that

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Generation X has a much stronger desire for promotion opportunites than the Baby Boomer generation. In addition, Parry and Urwin (2011) examined that while personality characteristics stay the same, people generally change what they want from their jobs over time, as they progress from pre-graduate employment to career positions, mix family and career interests and then move on to retirement. In other words, the phase of an employee's career as well as the generation they are in will potentially have an impact on their job performance and satisfaction.

Level of seniority in firm differentiating factor

Sessa, Kabacoff, Deal and Bown (2007) use a cross-sectional design to survey generational differences in leadership behaviors as well as leadership values. They found that professionals and managers from different generations do differ and they do behave differently. However, they found that these differences were not as big as most research suggests. Nonetheless, it may still be a factor that drives employee workplace differences.

Occupational differentiating factor

According to Vroom (2007) there is a relationship between the occupation an employee chooses, the satisfaction they derive from the work and the quality of the work performance. The rewards that are available to employees in different occupations potentially have different impacts on employees and thus each employee's preferences may be different based on their occupation. For example, Broadbridge, Maxwell and Ogden (2007) interviewed potential graduate entrants into the retail sector to determine whether they show similar values to those proposed in the genereric generational literature, and found it to so. Bonner and Sprinkle (2002) point out that employees who are affected by and use accounting information more commonly prefer financial incentives for motivating and increasing their performance. Certain occupations also have a high social-status and thus could also drive employee differences and preferences (Vroom, 1964).

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2.2.5. Part I: Summary

Generational characteristics can exist as a result of the different generations sharing particular events and experiences, and these generational characteristics or differences can affect an employee's productivity, attitudes, preferences and job satisfaction in the workplace. As a result, a company's success can be affected by these differences. Having all three generations in the work place at once can be challenging, but failure to understand these characteristics can lead to miscommunications, conflict and loss of employee satisfaction and performance.

Generational characteristics can drive employee differences and have an impact on their satisfaction and performance. However, there are other differentiating factors in addition to generational ones that potentially influence employee differences. Within each generation, there are generational characteristics that are perceived specifically to relate to that generation. Nevertheless, there are other factors within each generation such as gender, age, culture and phase of career that can drive individual differences. The following section examines incentive and reward schemes and its impacts.

2.3. Part II: Incentive and reward schemes

A study by Applebaum, Serena and Shapiro (2005) examined the factors that were stereotipically associated with motivating the Baby Boomer Generation and Generation X members. They suggest that both generational members ranked a high salary and a stable secure future as the most effective motivational factors in an organization. Wong, Gardiner, Lang and Couon (2008) examined differences in generations using a motivation questionnaire and they believe there were differences in the degree to which different generational members were motivated by certain incentives and rewards.

Furthermore, Terjesen, Vinnicombe and Freeman (2007) use a repertory grid interview to detemine what attracts Generation Y members to an organization. They argue that these members are atrracted to organizations who are willing to invest heavily in training and self-development, care about their employees as indivduals, and provide clear opportunities for long-term career progression. The next section is a concluding section to Part II of the Literature Review.

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2.3.1. What are incentive and reward schemes and what is its purposes?

The following sections outline what incentive and rewards schemes are and their roles are within a firm. It assesses the contribution that incentive and reward schemes make to a company's success, an employee's overall attitude and performance as well as outlining the two most commonly used types of schemes. These types of schemes are explored in turn and their benefits and negative consequences are posed.

Contribution to an employee's overall attitude and performance towards their job

It is common for organizations to use incentive and reward schemes to reward high-performing employees for good work and to motivate low-performing employees to improve their performance (Erbasi & Arat, 2012). They can therefore be used to:

- Establish fair management in the company (equality amongst employees);
- Contribute to the motivation of all employees;
- Increase employee's productivity and efficiency;
- Enhance employee's job satisfaction levels (Erbasi & Arat, 2012); and
- Create workplaces where employees are more motivated and happy, leading to more productive employees (Hull, 2013).

According to Nancy Cooper, chair of the Labor and Employment Group of Garvey Schubert Barer in Portland *"the goal of any rewards program should be to engender the loyalty and team spirit and have a good workplace where people feel appreciated"* (INC, 2010). Incentive schemes also encourage employees to meet or increase sales goals or targets, to meet or increase production goals, to raise employee morale or to reward extraordinary employee performance. It is not possible to give incentive and rewards scheme one definition, as their role will depend on many factors such as the goals of the company, employees' skills and abilities, and resources within the company. Overall, the role of incentive and reward schemes affects employee performance, productivity and satisfaction, and as a result contributes to the success of the company (Paine, 2014).

Contribution to company's success

Many studies in behavioral accounting and other fields have found a relationship between employee satisfaction or their perception thereof and a company's success (Hull, 2013). The common thinking is that if companies offer the correct incentives, then employees will be more motivated to perform well and thus it will result in better overall company performance (Wharton University of Pennsylvania, 2011). The success of any company therefore will include the ability of employers to attract, retain and motivate the appropriate employers to perform well and aim for the highest standard possible (Mason & Watts, 2010). Organizations can use these schemes once or as an ongoing program inside an organization. These plans can also be short-term or long-term and can be based on single or multiple goals and performance measures (Paine, 2014).

The role of economic theory in incentive and reward schemes

Economists believe that by providing incentives, employee's expected work utility will increase and in turn their productivity (Baker, Jensen, & Murphy, 1987). It is a central theme of economics that incentive schemes promote effort and performance and there is much evidence that supports this (Benabou & Tirole, 2003). They also believe that rational employees will choose to alter their performance in response to a scheme or system that rewards such performance or behavior with financial gain (Mason & Watts, 2010).

Further, economists suggest there is a risk of the classical agency problem in any organization, where there is a risk that the interest of the employee and the organization is not aligned. Incentive and reward schemes can be designed and implemented in such a way that they encourage employees to act in the employer or firm's best interest (McCausland, Pouliakas, & Theodossiou, 2005). Harvard psychologist B.F. Skinner popularized the theory of positive reinforcement, which states that after a desired behavior occurs, one should present the person with a reward, which will make the behavior more likely to occur in the future (Kohn, 1990). The following section examines two main forms of incentive and reward schemes that are used for positive reinforcement and influence on behavior.

2.3.2. Main types of incentive and reward schemes

2.3.2.1. Financial incentive and reward schemes

Financial and non-financial incentive and reward schemes are the two most common types of incentive and reward schemes (Erbasi & Arat, 2012; Baker, Jensen & Murphy, 1987; INC, 2010). Economists argue that employees are willing to substitute non-financial incentives for financial rewards, and thus choose to focus on financial schemes (Baker, Jensen & Murphy, 1987). However, other research point out that incentives and rewards can range from non-financial gifts, plaques or trophies to financial rewards such as bonuses, travel incentives, pay-for-performance or profit sharing (Paine, 2014). The next section discusses financial incentives and rewards and the subsequent section discusses the non-financial options.

What are financial incentives schemes and what types of incentive options fall within this category?

Monetary incentives have been the most common reward system used in the past and are frequently suggested as the best method for motivating and increasing performance of employees who use and are affected by accounting information (Bonner & Sprinkle, 2002). Financial incentive and reward schemes are still the most popular rewards (Hamner, 1975; Bruggen & Moers, 2007; Bonner & Sprinkle, 2002; Nobel, 2013) and can include:

- Annual financial rewards such as a salary raise, profit share, premium, economic award, payment packages (Erbasi & Arat, 2012), end-year bonuses for excellent performance (Hull, 2013), or
- Continuous Performance-based rewards where payment or financial rewards fluctuate continuously with performance levels or targets (Zenger & Marshall, 2000; Kohn, 1990; Erbasi & Arat, 2012)

Benefits and negative consequences of implementing financial incentive and reward schemes

Financial incentive plans are usually based on performance (Zenger & Marshall, 2000; Kohn, 1990; Erbasi & Arat, 2012). Employees who receive a flat wage – a wage that stays the same regardless of performance level or targets met, can choose their own pace at which they want to work and they have a choice as to how much effort they put into their work. They receive the base wage on an agreed level of performance, and any additional effort and performance will not earn them more money on top of the base salary or wage. However, if a performance-based system is introduced, employees may feel compelled to work harder and at a higher pace since their pay will depend on it (Drake, Wong, & Salter, 2007). In Bonner et al. (2002; cited in Bonner and Sprinkle 2002) it was found that a performance increase was observed in more than half of the 85 studies they examined where financial rewards were introduced.

There is a broad range of reseach that supports the idea that performance-based schemes firstly increases employee effort which will increase the performance of the organization (Zenger & Marshall, 2000; Bonner & Sprinkle, 2002); secondly, attractes talented employees (Zenger & Marshall, 2000; Bruggen & Moers, 2007); and thirdly, affects employee effort direction, duration and intensity (Bonner & Sprinkle, 2002). Financial incentives can motivate employees to acquire skills necessary to perform tasks so that their future performance will be higher (Bonner & Sprinkle, 2002).

However, a substantial amount of literature has suggested that financial incentives can reduce employee motivation as it reduces their intrinsic motivation, so when employers get employees to chase money, they end up with, employees chasing money (Baker, Jensen, & Murphy, 1987). Therefore, many behaviouralists and psychologists argue that financial incentives are counter productive to increasing work performance (Baker, Jensen, & Murphy, 1987; Kohn, 1990; Bruggen & Moers, 2007; Bonner & Sprinkle, 2002; Mason & Watts, 2010). Other studies have shown that peformance-based systems can be negatively associated with self-determination when compared to a flat-wage system (Drake, Wong, & Salter, 2007), and that financial incentives in general have widly varying effects on effort and may not result in performance improvements (Bonner & Sprinkle, 2002).

Kohn (1990) offers three reasons for why financial incentives are counter productive;

i.   Financial incentives encourage employees to focus only on the task at hand.

- An experiment by Bruggen and Moers (2007) suggests that employees who received financial rewards on multiple tasks will significantly reduce their effort on those tasks that will not get them the reward and only focus on the task which is directly linked to receiving the reward. Financial incentives may increase performance or effort on some tasks, but it becomes difficult in multi-task situations where efforts need to be allocated across tasks (Bruggen & Moers, 2007).

ii. Extrinsic rewards (financial rewards) can overpower intrinsic motivation.

- Numerous experiments and research studies has shown that in certain situations the opportunity for receiving financial rewards can undermine "intrinsic motivation' and possibly lead to poorer outcomes and decreased performance (Mason & Watts, 2010; Wharton University of Pennsylvania, 2011). Intrinsic motivation is where employees are motivated to do the task or perform well by their own intrinsic motivation, whereas extrinsic motivation is where an external incentive such as a reward is used to encourage the employee to perform well.

iii. Employees become controlled by these rewards.

- A research project conducted by Harvard Business School, explored various performance incentives that affect the lending decisions of bank loan officers and found that officers were judicious about issuing loans when their bonus opportunities were tied to whether the loans performed well rather than the amount of loans given. Further, incentives actually distort a loan officer's perceptions of how a loan will perform and just issued multiple loans in order to receive a reward, regardless of whether the loan can be repaid (Nobel, 2013).

- Another study supported these findings by concluding that quantity of work increases when financial incentives are offered, but not the quality of the work (Mason & Watts, 2010).

Other studies and research papers have identified additional reasons for financial incentives being counterproductive namely:

iv.   They can undermine collaboration and teamwork, reduce risk taking and creativity and also emphasize the power asymmetry between employees and employers (McCausland, Pouliakas, & Theodossiou, 2005).

v.   They have short-term effects on motivation levels and only guarantee temporary behavior changes (Erbasi & Arat, 2012).

vi.   They can lead to unethical behavior, fuel employee turnover and foster envy, jealousy and discontent (Wharton University of Pennsylvania, 2011).

vii. Organizations run the risk of creating pay inequalities in the work environment that could be detrimental to employee morale, productivity and work relationship with colleagues with financial incentives (Wharton University of Pennsylvania, 2011).

2.3.2.2. Non-financial incentive and reward schemes

What are nonfinancial incentives and reward schemes and what types of incentive options fall within this category?

Rewarding, motivating and attracting the right employees, does not always have to be expensive or monetary (Kohn, 1993; INC, 2010). Many employees prefer positive recognition and other non-financial incentives above financial incentives and rewards (Hull, 2013). According to Kohn (1993) when employees were asked to rank their preferences, financial rewards were ranked fifth and sixth after non-financial rewards.

Erbasi & Arat (2012) identify some commonly used non-financial incentives such as job enrichment, better working atmosphere in terms of the physical and social environment and holiday opportunities. Six of the most effective non-financial incentives are:

- Positive recognition especially by the client and other colleagues;
- Opportunities to sit on special panels;
- Opportunities to increase skills;
- Additional training opportunities;
- Conference options; and
- Thanks on a regular basis (INC, 2010).

There are many other forms of non-financial incentives, which can be very effective such as social and ethical incentives and promotion opportunities. Socially mediated incentives and motivations can play an important role in altering employee behavior (Bruggen & Moers, 2007). King (2002) suggests that in an audit setting, the self-serving bias of the auditors were neutralized when they were exposed to social pressures in order to conform to group norms. In other words, ethical concerns (individual norms) and social incentives (group norms) reinforce each other and can make a significant contribution to any incentive scheme.

Furthermore, promotion incentives can be very effective and are less costly than financial rewards (Baker, Jensen, & Murphy, 1987). Promotion incentives serve two main purposes:

i. Individuals differ in their skills and abilities, jobs differ in the demands they place on individuals, and promotions are a way to match individuals to jobs for which they are best suited.

ii. To provide lower level employees with incentives that value the pay and prestige associated with a higher rank in the organization.

Non-financial incentive schemes can take various forms, for example:

- The opportunity to participate in management tasks, promotion opportunities, holiday opportunities and job enrichment opportunities (Erbasi & Arat, 2012);
- Perks at the office such as half days, casual days or social events and activities (Hull, 2013);
- Amenities such as a gym, cafeteria or day-care facility (Hull, 2013);
- Education programs where employees can engage in further skill development (Hull, 2013);
- Positive recognition such as staff awards or celebrations (Hull, 2013), praise from superiors' and co-workers and feelings of self-esteem that come from superior achievement and recognition (Baker, Jensen, & Murphy, 1987).

Benefits and negative consequences of implementing financial incentive and reward schemes

Self-determination theory (SDT) suggests that employees who feel that their personal values are aligned with the organization will perform better. Further, if they feel a strong connection with other people and their environment they will perform better (Delves, 2011). According to Mason and Watts (2010) when it is possible to use non-financial incentive and rewards in an organization to enhance employee's intrinsic motivation, the quality of the work will be as good, if not better than if they made use of financial rewards.

In some cases where employees are offered non-financial incentives such as a flexible working schedule to allow them to pick up their kids, there may be costs for the organization. By allowing certain employees to work on their own schedule and at their own work pace, means the rest of the organization needs to work around that employee's schedule and thus can cause significant delays, communication problems and conflicts within the organization (Wharton University of Pennsylvania, 2011). Another negative consequence is that non-financial incentives are more effective in the long run and thus short-term goals and objectives may suffer as a result. Lastly, there is always a risk of creating feelings of inequality, envy and jealousy when employees are offered different incentives than others based on their personal preferences.

2.3.3. Part II: Summary

Incentive and reward schemes can play many roles in an organization including: motivating employees to perform better or to alter behavior, rewarding employees for good performance or target achievement, improving employee productivity and job satisfaction and creating a happy and comfortable work environment. A company's success can be impacted by these schemes and thus it is important for all managers to understand these effects and manage them.

The two most commonly used incentive and reward schemes are financial and non-financial. Each of these schemes has its own benefits and negative consequences:

- Financial incentives such as bonuses, performance-based pay and profit sharing can increase efforts, encourage target achievement and act as a good reward, but these incentives can also overwhelm intrinsic motivation, emphases tasks which allow them to receive the reward while ignoring other tasks and result in only short-term behavior changes.

- Non-financial incentives such as flexible working arrangements, days off and additional training opportunities can make an employee feel appreciated and unique, allow a sense of mastery or achievement and allow them to feel that their personal values are aligned with those of the organization. These incentives can however, cause resentment as there may be individual arrangements, cause co-ordination issues and may not be effective in the short-term.

It is also important to consider that the preferences for different incentive and reward schemes may be influenced by the industry or occupation that an employee chooses. Bonner and Sprinkle (2002) suggest that employees who are affected and use accounting information more commonly prefer financial incentives for motivating and increasing their performance. The next section outlines the research objective, questions and research gap.

2.4. Part III: Research issues and research gap

This part of the chapter outlines the research gap, research objective and identifies the research questions, which guides the study.

Research gap

As detailed in sections 2.2, many studies have looked at generational characteristics and their effects on employees in the workplace, but none has focused on Generation Y in the accounting industry. Further, all prior research has predominantly been done in the USA (Parry & Urwin, 2011) and this study is unique as the data was collected in New Zealand, thereby adding unique and valuable information to the existing literature. The research gap this research seeks to close is

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the fact that no research has yet to date focused on generational characteristics in a very narrow and specific industry, as well as a small geographical location, as these may differ due to different work environments and goals. In addition to this, although research has examined whether there are other factors that drive individual (employee) differences, none have been done in a specific occupation, with participants with a wide variety of differentiating factors.

This research will seek to address this gap by firstly, investigating the generational characteristics from previous research on Generation Y employees and exploring what impact these characteristics can have in the workplace. Secondly, the research will examine whether differences between individuals are due to non-generational factors. Lastly, the research will examine what effect these differences will have in the workplace on employees in relation to their preferences of types incentive and reward schemes in the accounting industry. The research objective, following from the research gap, is addressed in the following section.

Research objective

The objective of this research is to determine what types of incentive and reward schemes will be the most effective for Generation Y members in accounting firms. The professional accounting industry in the USA has pointed out that for the seventh year in a row now, employee recruitment and retention has been a major concern. They believe this may be due to the generational gap in the work place (Westerman & Yamamura, 2007). Many other studies support the difficulty of retaining employees within an organization (for example, Neal, 2014; Nelson, 2007).

In today's workplace there are three generations working together – the Baby Boomer Generation, Generation X and Generation Y. It is believed that due to the shared experiences and events that each generation has, they develop personality or generational characteristics that can be seen in the work place (Neal, 2014; Nelson, 2007). It has been suggested that these generational characteristics can influence an employee's job satisfaction, productivity, performance, preferences, feeling and attitudes in the workplace. As a consequence, generational characteristics can affect a company's success. Therefore, it is important that managers understand and manage these characteristics effectively (Westerman & Yamamura, 2007; Kupperschmidt, 2000).

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Research questions

The examination and research of generational differences in relation to employee behavior is important, but underdeveloped in management accounting research (Westerman & Yamamura, 2007) and there is a considerable amount of contrary research (Parry & Urwin, 2011). Thus, this area needs further research leading to this study's first research question:

> *Do Generation Y employees in the workplace have different generational characteristics to what is expected and in comparison to other generations, and if so, in what way do they impact on the workplace?*

In addition to generational characteristics that potentially impact the workplace (Neal, 2014; Nelson, 2007), the 'diversity' literature suggests that different cultures and religions can drive employee differences. This suggestion is supported by Kupperschmidt (2000), who states that generational characteristics are generalizations and there may be individual driving factors as well. There are cultural, political, historical and technological differences between counties (and therefore workplaces within these countries). Therefore, there may be other factors that affect employee differences in the workplace in addition to generational characteristics (Parry & Urwin, 2011).

Studies on these other factors (differentiating factors) include Hui-Chun (2003) who examined cultural differences and Lipmann (2008) who examined gender differences. Whiteoak, Crawford & Mapstone (2006) explored value differences in the workplace, Smola & Sutton (2002) examined different stages in an employee's career and different levels of maturity, while Sessa, Kabacoff, Deal & Bown (2007) investigated effects of different levels of seniority and leadership skills.

Managers need to understand generational characteristics and any other factors that may affect employees in the workplace. They can do this by creating opportunities for open discussion in relation to what these employees prefer as rewards and motivational factors, as well as what factors attract them or will retain them as employees (Kupperschmidt, 2000). Understanding employee differences are crucial for managers who want to improve employee productivity,

innovation, satisfaction and corporate citizenship, as well as retain them. Research question two is as follows:

> *Are there other factors besides generational characteristics that differentiate employees in the workplace, and if so, what are these factors?*

Self-determination theory suggests that employees will perform better when they feel their personal values are aligned to those of the company's and feel a strong connection with their colleagues and work environment (Delves, 2011). There are many studies in behavioral accounting that support a relationship between employee satisfaction and success of a company (Hull, 2013), thus companies commonly use incentive and reward schemes to influence an employee's behavior and satisfaction. Incentive and reward schemes have many purposes including: rewarding employees for good work, motivating employees to work better or to perform certain tasks, enhance their job satisfaction, increase job productivity and performance and so much more (Erbasi & Arat, 2012). Not only does an incentive and reward scheme affect employees in an organization, but they also affect a company's success (Paine, 2014).

Economists argue that employees prefer financial incentives and rewards and are willing to substitute non-financial incentives for financial rewards (Baker, Jensen & Murphy, 1987). Financial incentives and rewards are traditionally the most commonly used system in the past and have been for motivating and increasing performance of employees, especially those who are affected and use accounting information (Bonner & Sprinkle, 2002). Different occupations (refer to section 2.2.4) may make use of certain types of incentive and reward schemes and thus it is important to consider the employee's occupation and industry. However, it is important to note that rewarding, motivating and attracting employees do not always have to be monetary and expensive and thus in some organizations it may be better to make use of non-financial systems – some employees might even prefer them (Kohn, 1993; INC, 2010).

Once the differences and the relationship between preferences and motivators, generational characteristics and differentiating factors, and incentives and rewards are understood, it can be used as building blocks to create an effective recruitment, training and hiring process (Westerman & Yamamura, 2007). Taking into account the industry and occupation of the employee is of

essential importance to ensure the scheme is appropriate for the work environment. Thus the third and final research question is as follows:

> *What are the most effective types of incentive and reward schemes for Generation Y members in an accounting firm, and why?*

The next chapter outlines the theory and research framework for the study.

Chapter 3: Theory and research framework

3.1. Introduction

Chapter 3 presents the theory and research framework for the thesis. It outlines Vroom's Expectancy Theory and the three elements of the theoretical framework. The chapter then examines some criticism that the theory has attracted before moving on to outline the research framework and the theory's application to the research. Following this, the research conceptual framework is presented.

3.2. Vroom's Expectancy Theory

The underpinning theory used in this research is drawn from Vroom's motivational or expectancy theory. Vroom's theory uses cognitively oriented assumptions as the basis for his motivational theory (Lawler & Suttle, 1973). Expectancy theory is almost exclusively applied to work behavior and Vroom's theory in particular examines the relationship between the choices people make as to what occupation they pursue, the satisfaction they derive from the work and their quality of work performance (Vroom, 2007). Expectancy theory falls within the 'motivation' literature and thus the theory is appropriate for this research, which examines incentive and reward schemes. The next section discusses Vroom's conceptual framework before examining its application to the research.

The framework that frames this theory consists of three main elements: valence, expectancy and force (Vroom, 1964). Each element will be explained and then their relationship illustrated in Figure 3.1. The individual will be referred to as the employee from this point onwards, as the research examines the motivation of particular generational members who are employees (or potential employees).

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First element – Valence

The first element is *Valence*. Valance refers to the extent to which the employee wants to reach the desired outcome, which is the reward (Vroom, 1964). The more attractive an incentive or reward scheme is to an employee, the higher their valence for the reward. When an employee has a positive valence towards a particular incentive or reward scheme, they prefer attaining the reward (Vroom, 1964). In contrast, when an employee has a negative valence towards a particular incentive or reward scheme, they prefer not to attain the reward. A zero valence towards a particular incentive or reward scheme means that the employee is indifferent to attaining or not attaining the available reward (Vroom, 1964). Valence can then be expressed as the employee's desire for receiving the reward as outline by the incentive and reward scheme of the organization.

Second element – Expectancy

The second element is *Expectancy*. Different employees may prefer different incentive and reward schemes and the employee will adapt their performance, behavior or effort to then attain the reward. However, there will be certain events and situations that are outside an employee's control which could hinder their attainment of the reward. That is, not only will the employee adapt their effort, behavior or performance to obtain the reward, but they will also weigh up the uncertainty of receiving the reward and the risk of not attaining it (Vroom, 1964).

In simple terms, it is the expectancy that they will be able to attain the reward. Expectancy includes not only the chance (possibility) of obtaining the desired outcome, but can also refer to how 'satisfied' the employee is with the scheme or reward being offered and their job (Vroom, 1964). Thus the terms, satisfaction and expectancy will be used interchangeably throughout the research.

Lawler & Suttle (1973) illustrate using nine studies that expectancy and job performance is highly correlated and there is a causal relationship between the two. As per Robbins (1983, p. 152; cited in Lee, 2007) *"though expectancy theory has its critics, it has generally developed results that indicate it is currently the clearest and most accurate explanation of individual motivation".* These studies provide support for the use of Vroom's theory in this research paper as the research investigates what impact generational and personal characteristiscs have on an

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employee's job satisfaction and performance, as well as which incentive and reward scheme would be most effecitive for each individual.

Third element – Force

The third element is *Force.* It is the combination of the first two elements and refers to the end performance of the employee (Vroom, 1964). If an employee has a strong desire to attain a reward available to them (valence) and believes that they can attain it through exerting a certain amount of effort or changing behavior (expectancy) then they will perform well (force) (Lawler & Suttle, 1973).

In short, this conceptual framework explains 'motivation'. The choices made by an employee between various incentive and reward schemes can be explained in terms of their motives and cognitions when they make the choice (Vroom, 1964). Figure 3.1 illustrates this relationship:

Figure 3.1: Vroom's Expectancy Theory conceptual framework
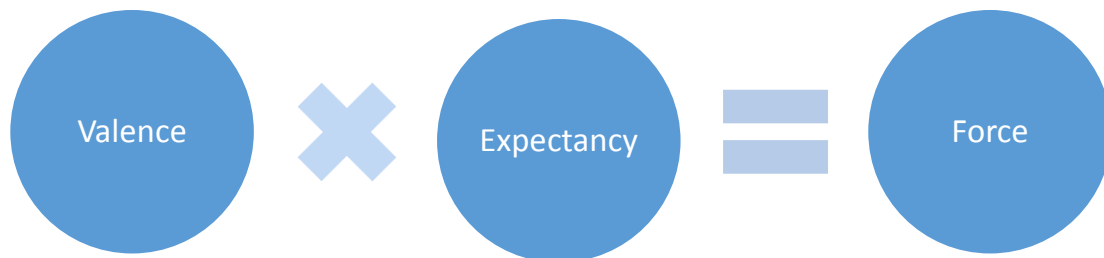
3.3. Theoretical critique

Vroom's theory has attracted a lot of empirical support, but has also attracted equal amounts of criticism. Due to this criticism researchers expanded Vroom's theory as can be seen in work by Lawler and Porter (1967), Graen (1969), Galbraith and Cummings (1967) and Stahl & Harrell (1981). These researchers highlight some measurement issues in relation to the conceptual framework and although these are valid, they do not affect this research as outlined below.

The main criticisms revolve around difficulties in operationalizing and testing the equation as per Figure 3.1 (Stahl & Harrell, 1981). As mentioned earlier, this research is not looking to find

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absolute laws and thus does not use a method where values are added and multiplied. This research overcomes these criticisms by collecting in-depth information about individuals from all three generations and is not focused on finding general rules and laws, but on understanding the impact of generational characteristics.

Another criticism of Vroom's theory is that it lacks the distinction between actions and outcomes as well as between the different types of expectancies associated with the other (Lawler & Suttle, 1973). Lawler (1971) has expanded on Vroom's theory by stating that 'effort will lead to successful performance of a behavioral action and the expectation that this action will produce outcomes' (Lawler & Suttle, 1973, p. 483)[1].

This general problem pointed out and expanded on by Lawler (1971), does not apply to this research, as the objective is not to obtain general rules and laws. The intention is to gain an in-depth understanding of the relationship between incentive and reward schemes, employee satisfaction and performance and generational or other individual characteristics. The criticisms above apply to Vroom's theory when a questionnaire is used and where the intention is to reach consensus and general laws. This is not the aim of the research in this thesis and therefore these criticisms do not affect the research framework.

3.4. Research framework

This section addresses the application of Vroom's theory to the research. The generational characteristics and incentive and reward schemes aspects will be addressed individually in order to illustrate the theory application. Section 3.5 brings the two parts together.

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[1] Either: (i) effort leads to performance or (ii) performance leads to an outcome.

3.4.1. Generational characteristics

As mentioned, there are currently multiple generations in the workforce. With each generation having their own set of values and attitudes (Parry & Urwin, 2011). These generational characteristics reflect on employees' behavior in the work place and therefore it is important for managers to understand these characteristics and preferences, which extends to Vroom's first element *valence.*

In order to motivate employees or reward them in an effective manner, managers need to understand generational differences. Failure by managers to understand or consider these characteristics can affect an employee's productivity, satisfaction, innovation, performance and corporate citizenship. Due to their influence on employees, these characteristics will then impact on a company's success as employee retention, recruitment, turnover and performance will be affected (Westerman & Yamamura, 2007; Kupperschmidt, 2000). Table 3.1 on the following page, summarizes the main generic generational characteristics (as detailed in section 2.2.2) and illustrates the differences in workplace preferences between the three generations. The Baby Boomer Generation (BB Gen) has been included in the table as to illustrate the main differences between Generation X (Gen X), Generation Y (Gen Y) and Baby Boomer members, however is not included in the data collection process or when addressing the research questions.

Table 3.1: Generational characteristics

Category of characteristic	Generation members	Specific characteristics
Family orientation	BB Gen	Feel the pressure to care for
	Gen X	Rely on close friends for support
	Gen Y	Embrace new challenges and responsibility. Not willing to sacrifice enjoyment of life and relationships
Role in workplace	BB Gen	Need to impact every task they undertake
	Gen X	Needs to do challenging and meaningful work
	Gen Y	Need meaning and purposeful work
Independence	BB Gen	Independent thinkers
	Gen X	Skeptical of authority and institutions
	Gen Y	Need direction and managerial support. Value autonomy and freedom
Workplace personality	BB Gen	Self-indulgent and competitive. Value personal gratification and optimism
	Gen X	Need team and colleague's support per their own efforts and relationships
	Gen Y	Very impatient and not willing to climb the promotional ladder. Techno savvy
Team player	BB Gen	Value a team orientation
	Gen X	Use team and colleagues to support their own individual efforts. Need strong mentors and work relationships
	Gen Y	Work on teams of highly motivated employees
Loyalty and commitment	BB Gen	Easy to move on to new organizations
	Gen X	Loyal to themselves first
	Gen Y	Only willing to commit on an annual basis
Reward options	BB Gen	Like to be pampered and try new experiences. Value flexible work arrangements
	Gen X	Need opportunities to interact with management, want training and social events
	Gen Y	Want high salaries and flexible work arrangements. Need to feel valued, important and appreciated

Differentiating characteristics

In addition to generational characteristics, there are several other factors (as detailed in section 2.2.3) that may also influence an employee's valence in the workplace (in relation to incentive and reward schemes):

i.   Culture;

ii. Religion;

iii. Country of origin, because countries can be:

    a. Historically;

    b. Politically;

    c. Technologically; and

    d. Culturally different (Parry & Urwin, 2011).

iv. Career stage (Smola & Sutton, 2002; Parry & Urwin, 2011);

v.   Workplace values (Parry & Urwin, 2011).

Consequently, there are many non-generational factors that can play a role in the valence of an employee. Although it is impossible for a manager to understand each individual employee's preferences (after taking into consideration generational and personal preferences), it is still necessary to make an effort. Failure by managers to address these differences and understand them can have negative consequences for an organization such as: misunderstandings, conflict miscommunication and mixed signals (Smola & Sutton, 2002; Westerman & Yamamura, 2007).

Furthermore, an employee will only join a firm, stay with a firm or work harder when the individual knows what they are to receive if they do, as well as knowing what the likelihood is of receiving the reward or incentive. Incentive and reward schemes have been used to recruit, retain and motivate employees (as detailed in section 2.3), but in order to make them effective schemes; managers need to understand differences and relationships between preferences and motivators (Westerman & Yamamura, 2007). The next section explores the role of incentive and reward schemes and Vroom's theory in relation to these schemes.

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3.4.2. Incentive and reward schemes

Valence

Individuals work for a particular reason and thus they will have a preference as to a particular incentive and reward scheme depending on their reason for entering the work force. There are two main conditions, which can answer the question, 'why do people work?' (Vroom, 1964). The first condition is economic in the sense that people will work if there are opportunities and a demand for it. The second condition is motivational and means that people will work if they want to work and know what they are working for. This means that people might only decide to work if they believe the reward or incentive they receive in exchange for the work is worth it. This research focuses on the second condition.

   i.   *Employee incentive and reward options available*

Vroom states that "it seems clear that for a large proportion of individuals the decision to seek or to continue to work is based partly on anticipated rewards obtained from work that have nothing to do with money or the uses to which money may be put" (Vroom, 1964, p. 32). Other research states that wages or the size of your pay cheque may not be the only thing that affects your job satisfaction (Vroom, 1964). Herzberg, Mausner, Peterson and Capwell (1957) suggests that when participants were asked to rank different aspects of their job in order of importance, wages ranked higher than job content, supervision, social interaction and aspects, communication and benefits. But, wages did rank lower than security, opportunities for promotions, and management (Vroom, 1964). The study is a few years old and therefore may relate to the older generation, such as the Baby Boomer Generation, however this preference will be examined in terms of Generation X and Y members. Today remuneration schemes can include retirement packages and programs, life and health insurance, free meals or recreational and educational programs as well as the traditional, financial rewards (Vroom, 1964). Thus this research will examine the preferences in the present day workforce.

Expectancy

Job satisfaction is usually explored in relation to an employee's performance. However, it can also be used to explore the retention of employees. The more satisfied an employee, the less likely they will go looking for employment elsewhere (Vroom, 1964). According to Vroom (1964) there are several factors in terms of incentive and reward schemes that affect an employee's job satisfaction and expectancy of attaining the reward such as:

i. *Factors over and above delivery service industry*
   Intrinsic motivations, opportunities to experience a changing environment, opportunity to be part of a changing world and the opportunity to improve skills and develop themselves may be some of the other factors.

ii. *Social interaction with colleagues*

iii. *Social status and reputation of the work role and organization*

iv. *The choice of work role and organization*

v. *Supervision*
   It will depend on the characteristics of the supervision in terms of their level of authority, leadership skills and the independence of the employee.

3.5. Research conceptual framework

The generational and other personal (non-generational) characteristics that define each individual as well as the incentive and reward scheme in their organization will affect their job satisfaction and performance. Therefore, Expectancy Theory, in general, is the most useful theory for exploring job related behaviors and attitudes such as job effort, performance and satisfaction (Stahl & Harrell, 1981). Below is a descriptive version of Vroom's conceptual framework (figure 3.2):

Figure 3.2: Vroom's conceptual framework – descriptive version

The choices made by an individual amongst alternatives in the work environment (valence)	**+**	The extent to which the individual believes that they are satisfied with their job and the work environment (expectancy)	**=**	Level of effort and performance by the individual in their chosen occupation (force)
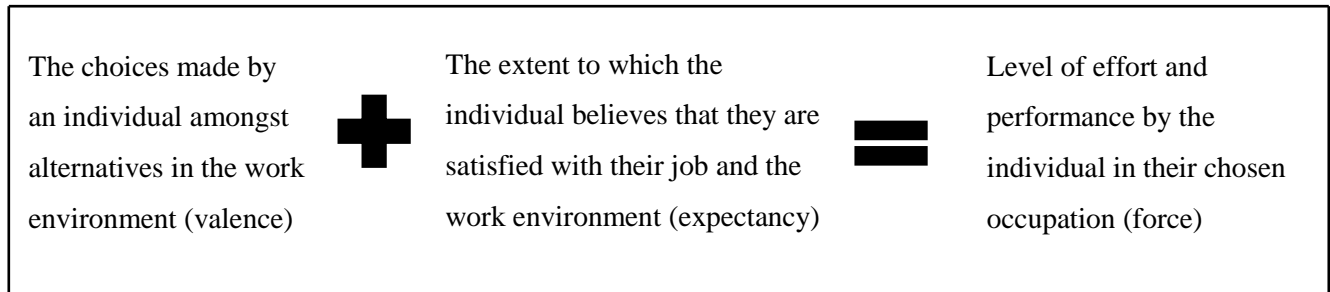
By applying Vroom's model or framework to the research in question, it will enable better analysis of the three research questions:

i.   Do Generation Y employees in the workplace have different generational characteristics to what is expected and in comparison to other generations, and if so, in what way do they impact on the workplace?

ii.   Are there other factors besides generational characteristics that differentiate employees in the workplace, and if so, what are these factors?

iii.   What are the most effective types of incentive and reward schemes for Generation Y members in an accounting firm, and why?

The following figure (Figure 3.3) illustrate the application of Vroom's conceptual framework to the above research questions and thus forms the conceptual framework for this research:

Figure 3.3: Research conceptual framework

Based on the generational and personal characteristics, what is the most effective (desired) incentive and reward scheme offered to improve employee productivity, satisfaction and performance?	**+**	The extent to which the individual believes that they are satisfied with their job, work environment and the available incentive and reward scheme	**=**	Level of effort and performance by the individual in the chosen work environment in order to receive the reward

3.6. Chapter summary

In order to address the gap in the existing literature, Chapter 3 outlines Vroom's Expectancy Theory, which guides the study, the theory's applicability to the research and develops a conceptual framework based on Vroom's model (refer to Figures 3.1, 3.2 and 3.3) to address the research questions. The following chapter discusses the method used in this research in order to achieve the research objective and address the research questions.

Chapter 4: Research method

4.1. Introduction

Chapter 4 outlines the research method used to answer the research questions and address the research objective, and is organized as follows. The next section examines the research requirements in terms of data and participants and examines possible methods that could be used to gather the necessary data. Then, the most appropriate method is identified and explored. The following two sections address the participant selection, data collection and data analysis phases. The last section summarizes the chapter.

4.2. Research requirements

In order for the research questions and objective to be addressed effectively, determining the most appropriate method is of importance. This research seeks to determine whether Generation Y employees in the workplace have different generational characteristics, whether these have an impact in the workplace and whether there are other factors that drive individual differences. As a final objective, the research examines what types of incentive and reward schemes are the most effective for Generation Y employees. In order to understand different participant's opinions and preferences, the research needs to explore what drives these differences and thus an in-depth discussion with these participants is required.

The participant requirements include:
  I.   Participants from different generations;
  II.   Participants from different cultural backgrounds;
  III. Participants who are different genders; and
  IV.   Participants who are in different occupations or areas of study.

The research is descriptive and qualitative in nature, thus the aim of the research is to explore the relationship between various factors, which are used to explain certain preferences and behavior in employees (Sekeran & Bougie, 2013). The study is therefore correlational in nature, but this does not mean that there is a causational relationship between factors. Finding correlations does

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not mean that one factor causes another; it only explains the potential relationship (Sekeran & Bougie, 2013). As a consequence, primary data is needed for the research, therefore data needs to be obtained first-hand by the researcher. Secondary data will however be used throughout the method planning and design stages (Sekeran & Bougie, 2013).

There are a few different methods available to collect data of this nature including: (i) individual interviews, (ii) questionnaires, (iii) field experiments, and (iv) focus groups. The following section discusses the potential methods and assesses their applicability to the research (Sekeran & Bougie, 2013).

4.3. Method options

Individual interviews

This method of data collection is used when the required information is known and the researcher has designed a predetermined set of questions to be used. The respondents are then asked to answer these questions through the telephone, computer or face-to-face meetings. The predetermined questions are relevant to the topic of interest and are asked to each participant in the exact same manner (Sekeran & Bougie, 2013).

The advantages of having individual face-to-face interviews are that the participant and interviewer (researcher) has the opportunity to clarify questions, add new questions, use visual aids and they can act a motivator to encourage the participant to discuss personal information, by establishing a relationship with them. The disadvantage of an individual interview is that they take up the personal time of the participant and require a lot of time from the researcher, can be costly to run and interviewer bias may be introduced (Sekeran & Bougie, 2013). The advantages of a telephone interview are that they are generally less costly and faster to execute, a wide geographical area can be reached and there is greater anonymity of the participants. The disadvantages are that nonverbal cues are not available for interpretation, interviews will need to be kept short and participants can end the interview at any time (Sekeran & Bougie, 2013).

Based on the above information, individual interviews will not be the most useful for the research as it is time consuming and can be costly. The research is done over a [2]few weeks only and therefore running a large number of individual face-to-face or phone interviews will be difficult to schedule and manage due to the short time and the number of participants needed. In addition, the research examines cultural, occupational and gender differences between participants and therefore the interaction between such participants is important for data interpretation. This interaction cannot be achieved through individual interviews.

Questionnaires

This form of data collection is widely used, as it is not expensive or time consuming. A questionnaire is a structured set of questions where each participant is asked to answer each question, usually within closely defined alternatives (Sekeran & Bougie, 2013). As a method of data collection it may be less expensive and time consuming but generally has a low response rate. This method is generally used to collect data from a large number of participants and mainly used to gather quantitative data (Sekeran & Bougie, 2013). Although, the questionnaires can be administered personally they can also be mailed or electronically distributed. Therefore this method does not require as much effort compared to other more active methods (such as interviews or focus groups). The response rate for this method is usually 30%, if not lower, however using questionnaires reaches a large geographical area and is easily administered. The disadvantage with this method is that personally administered questionnaires take time and effort, mailed questionnaires have a low response rate and electronic questionnaires require internet and computer literacy, as well as access (Sekeran & Bougie, 2013).

A questionnaire is not useful for this research, as it cannot gather in-depth information about cultural factors, occupation factors or generational characteristics. The research is qualitative in nature and questionnaires are more appropriate for quantitative studies. The risk of a low response is not acceptable, especially considering the limited timeframe for the study.

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[2] Due to the MCOM program enrolled in, this thesis is a 90 point research thesis and is to be completed in a two trimester (8 month) period.

Field experiments

Field experiments are "done in the natural environment in which the work goes on as usual but treatments are given to one or more groups" (Sekeran & Bougie, 2013, p. 175). In other words, all variables and factors cannot be controlled or manipulated in a study, but the group or participants of interest can be. Control groups are used in these experiments and any cause-and-effect relationship found may be generalized to other similar settings. In addition to control groups being important, there are also many ethical issues that may exist in an experiment setting, which will need to be managed (Sekeran & Bougie, 2013). The advantage of this method is that it allows the researcher to gather behavioral data without asking the participants specific questions. Other factors can also be observed during an experiment, which are often overlooked such as workflow patterns, work habits and office relationships.

One disadvantages is the risk of reactivity, which is the extent to which the researcher (observer) influences the situation. This presents a threat to the data validity, as their natural behavior will be altered. This method is also time-consuming and prone to observer bias as the data is being gathered and interpreted from the researcher's point of view. Therefore, it is not a viable method for the research as time is limited and it would be difficult to ensure that participants with all the necessary requirements (as mentioned in section 2.2) are all present in the field experiment at once.

Focus groups

This method of data collection is mostly used to gather information about participants' opinions, interpretations and impressions of the topic being discussed (Sekeran & Bougie, 2013). Focus groups generally consist of four to ten members who have similar social or cultural backgrounds or who have similar experiences (Sekeran & Bougie, 2013; Liamputtong, 2011). The researcher or moderator guides the discussion session and acts as a neutral person, but not a neutral spectator (Liamputtong, 2011). Each session is generally around two hours long and focuses on a specific topic of interest. The participants are selected based on their expertise or experience in the area of interest (Sekeran & Bougie, 2013).

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Advantages of this method are (Sekeran & Bougie, 2013; Liamputtong, 2011):

- It is generally inexpensive, can be conducted quickly and is dependable even when conducted in a short time-frame;
- Allows the focus group session to be flexible and encourage sharing personal information and experiences;
- Can make up of a large number of participants and still gather in-depth information as participants can expand on other's ideas. A group of participants compared to a single person enables multiple viewpoints to be gathered, but each group is small enough so that the information gained is personal and rich;
- Focuses the research and emphasizes a specific area of interest so that the research can be investigated in more detail and directed in order to receive relevant data;

One disadvantage of this method is that because participants are selected based on specific criteria, they cannot be considered a faithful representation of the population at large and therefore is not applicable for gathering quantitative information (Sekeran & Bougie, 2013). There is also a risk that based on participant selection, all participants may not be comfortable in a group setting and therefore will not be active and contributed as much as expected (Liamputtong, 2011).

4.4. The suitability of focus groups in this research

As this research aims to determine whether Generation Y employees in the workplace have different generational characteristics, whether these have an impact in the workplace and whether there are other factors that drive individual differences, an in-depth discussion method of data collection is required. The research also examines what types of incentive and reward schemes are the most effective for Generation Y employees in accounting firms. Thus, focus groups are the most suitable and useful method of data collection in this study as its use will enable it to gather in-depth and personal information for each participant in the group within a short time-frame. It will allow the researcher (moderator) to guide the discussion as needed in order to gather relevant information and the participants to express their feelings, preferences and opinions in any manner they see fit (Liamputtong, 2011). This method is not focused on reaching a consensus, but rather encourages a range of responses, which provide the researcher with a

greater understanding of the participants' attitudes, behavior, opinions or perceptions on the research issue (Liamputtong, 2011).

The objective of focus groups is not to find general rules or generalizations and therefore participants do not feel like they need give only one answer or opinion. According to a well-known focus group researcher, Jenny Kitzinger (2005) this method is ideal for examining different people's points of view, their beliefs, needs and concerns. It allows the researchers to examine how differences among people differ in social groups (e.g. social class, age, ethnicity, profession/ occupation), which is essential to this study when determining what influences differences between participants. As the method is flexible and multiple participants are addressed at once, the number of discussion sessions is lower than would be with individual interviews (Liamputtong, 2011). It is therefore less time consuming and less expensive than other methods. As this study is being conducted in a condensed amount of time, it is important to collect the required data as quickly as possible. The next section will explain the process of participant selection, data collection and data analysis.

4.5. Participant selection and data collection

The participant collection and data collection process required a substantial amount of correspondence by phone, text and emails. The following diagram (figure 4.1) outlines the process. Each step will be addressed in more detail below.

Figure 4.1: Participant selection and data collection process

1. Select the participants required
2. Advertise and approach potential participants
3. Send potential participants Information Sheets and Research Information
4. Request a Volunteer Information sheet for selection and group composition
5. Choose the succesful participants and thank non-succesful participants
6. Group composition and scheduling of sessions
7. Run the discussion groups
8. Transcribe the sessions
9. Analyse the data

Ethical approval for conducting the focus group interviews and for the recruitment of volunteers was obtained from the Faculty of Commerce Human Ethics Committee of Victoria University of Wellington.

I.   Select the participants required

The research questions determine the necessary participants for this research which is Generation Y members who are working in, or planning on working in accounting firms. These participants will be referred to as 'Generation Y Accounting participants'. In order to determine whether generational differences exist between different generations, Generation X participants have been included. In addition, an examination of different occupations is included to determine whether differences in participants are due to their occupation, career choices or potential occupation. The following diagram (figure 4.2) identifies the scope of the participants required in the research:

Figure 4.2: Required participants
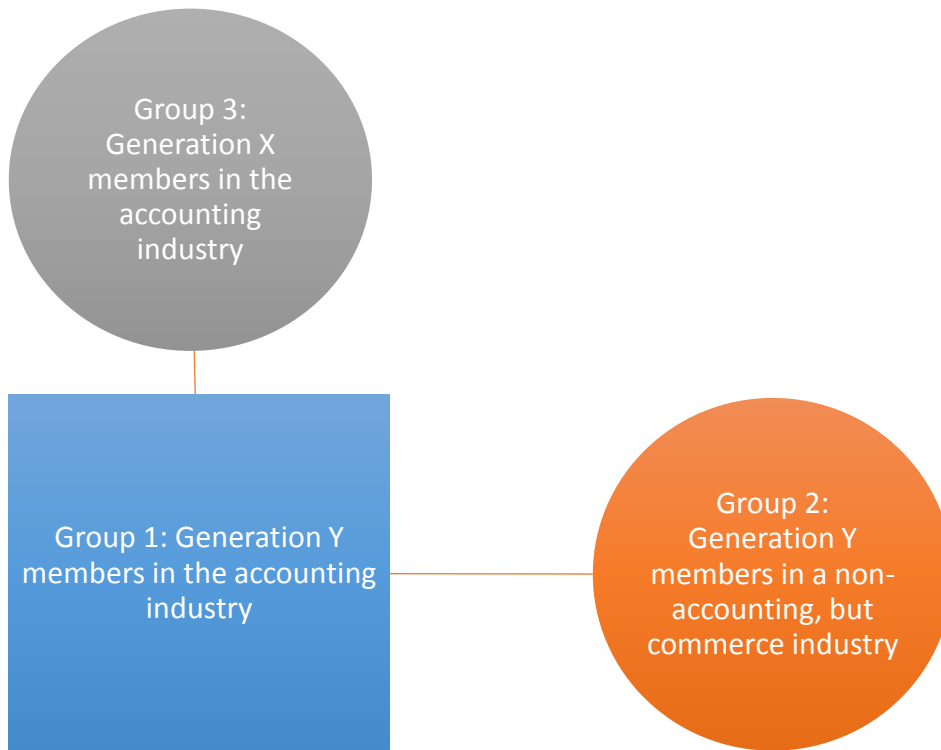
The research consist of three main participant groups:

i. Generation Y members who study accounting or are working in accounting firms;

ii. Generation Y members who study another form of commerce which is not accounting, or working in a commerce industry firm and are not in an accounting role; and

iii. Generation X members who study accounting or work in accounting firms.

The Baby Boomer Generation participants were not included throughout the study, although they were included in the literature review (chapter 2) to illustrate the differences between generations. However, there is not enough time, space and capacity to include them throughout the thesis. It is however, an opportunity for future research.

II. <u>Advertise and approach potential participants</u>

In order to recruit volunteers for the research, three main methods were used:

i. Students at Victoria University were approached in third year or masters-level accounting courses, given brief information regarding the study and the opportunity to voluntarily participate. Some of these Generation Y students who volunteered already had work experience or were working part-time jobs (courses).

ii. Facebook was used mainly to attract Generation Y students that are not majoring in accounting at University and were asked to contact the researcher if they wanted more information regarding the research or if they wish to participate (facebook).

iii. Work relationships as well as personal relationships were used to recruit the Generation X members (relationships).

Table 4.1 illustrates the number of volunteers that were recruited in the various ways mentioned above. Table 4.2 is a summary of Table 4.1 and indicates what the method preferred by generations are.

Table 4.1: Different participant recruitment methods

Form of recruitment	Number of participants
Lectures and Tutorials	11
Facebook	8
Work and personal relationships	18
Total participants	37

Table 4.2: Different generational participant recruitment method totals

Form of Recruitment	Totals	Gen X	Gen Y	%
Lectures and Tutorials	11	0	11	30%
Facebook	8	0	8	22%
Work and personal relationships	18	6	12	48%
	37	6	31	100%

The following table (table 4.3) represents the specific participants that are from each generation.

Table 4.3: Groups of volunteers

Group of Participants	# Participants
Generation Y - Accounting	19
Generation Y - Non-accounting	12
Generation X - Accounting	6
Total	37

III.   Send information sheet and research information

All potential participants that considered volunteering were send a Research Information Sheet (as given in Appendix I) and some information regarding the study and their role as participants. The potential participants were given the opportunity to ask questions and clarify all aspects of the research before volunteering.

IV.   Request Volunteer Information Sheet for participant selection and group composition purposes

Each volunteer was asked to fill out a Volunteer Information Sheet (as given in Appendix II) which asked for information relevant to the composition of the group and to ensure that these participants had a variety of characteristics:

  i.   Age;
 ii.   Cultures;
iii.   Gender; and
 iv.   Country of origin.

By ensuring that participants have different characteristics (age, gender and culture) it enables analysis of research question 2, which relates to the possibility of non-generational factors driving employee differences and behavior in the workplace.

When all the Volunteer Information Sheets were received, all the names of the participants were coded to protect them, as the study is anonymous. The codes consist of four parts namely:

 I. The culture they belong to (actual culture);

 II. The generation they belong to (X or Y);

 III. Whether they were accounting or non-accounting participants (A or N); and

 IV. Their gender (M or F).

An example of a code is be as follows:

Real name: Jessie

Personal information: Generation Y South African Accounting Female

Code name: South African YAF

The unique codes made it easier to aggregate data and to do the data analysis (see section 4.6).

 V. <u>Choose successful (appropriate) participants for the research</u>

Participants are chosen because they will have valuable contributions to the research objective and questions; therefore, a purposive sampling method was used (Liamputtong, 2011). For this study, participants needed to have a wide variety of different characteristics as research question 1 and 2 examines what drives differences between individuals (as mentioned above). The following guidelines for the focus group sessions are based on a medium to large size research project and will differ slightly (as indicated below) as this research is of a smaller nature.

How many focus groups are needed?

As a rule of thumb each variable in the study should have three to five focus groups, but this should be balanced against the time available and cost (Liamputtong, 2011). Three to five focus groups for each of the three main participant groups (as shown in Figure 4.2) was considered costly and time-consuming. Therefore, two focus groups were scheduled for Group 2 and Group 3, while four was scheduled for Group 1, as they are the focus of the research. This is a total of seven planned focus groups.

How many participants will each group need?

Group size and composition is crucial for the success of the research method. However, there is a variation in what is considered an 'ideal' size. Generally six to ten participants in each group are considered ideal, however other research has used between four and eight (Liamputtong, 2011). There is a risk of low involvement and participation when less than four participants per group are planned and thus it might be difficult for the researcher (moderator) to generate interest or maintain active conversation. On the other hand, a group that is too big can be difficult to handle and some people may be left out and not given the opportunity to participate. It is therefore important that the size of the groups be shaped to complement the needs of the research (Liamputtong, 2011).

The planned amount of participants required in the study for Groups 1 to 3 were 12, 6 and 6 participants, respectively. The maximum amount of participants required were 20, 10 and 10, respectively. The figure below provides the planned schedule for the three groups:

Figure 4.3: Planned groups
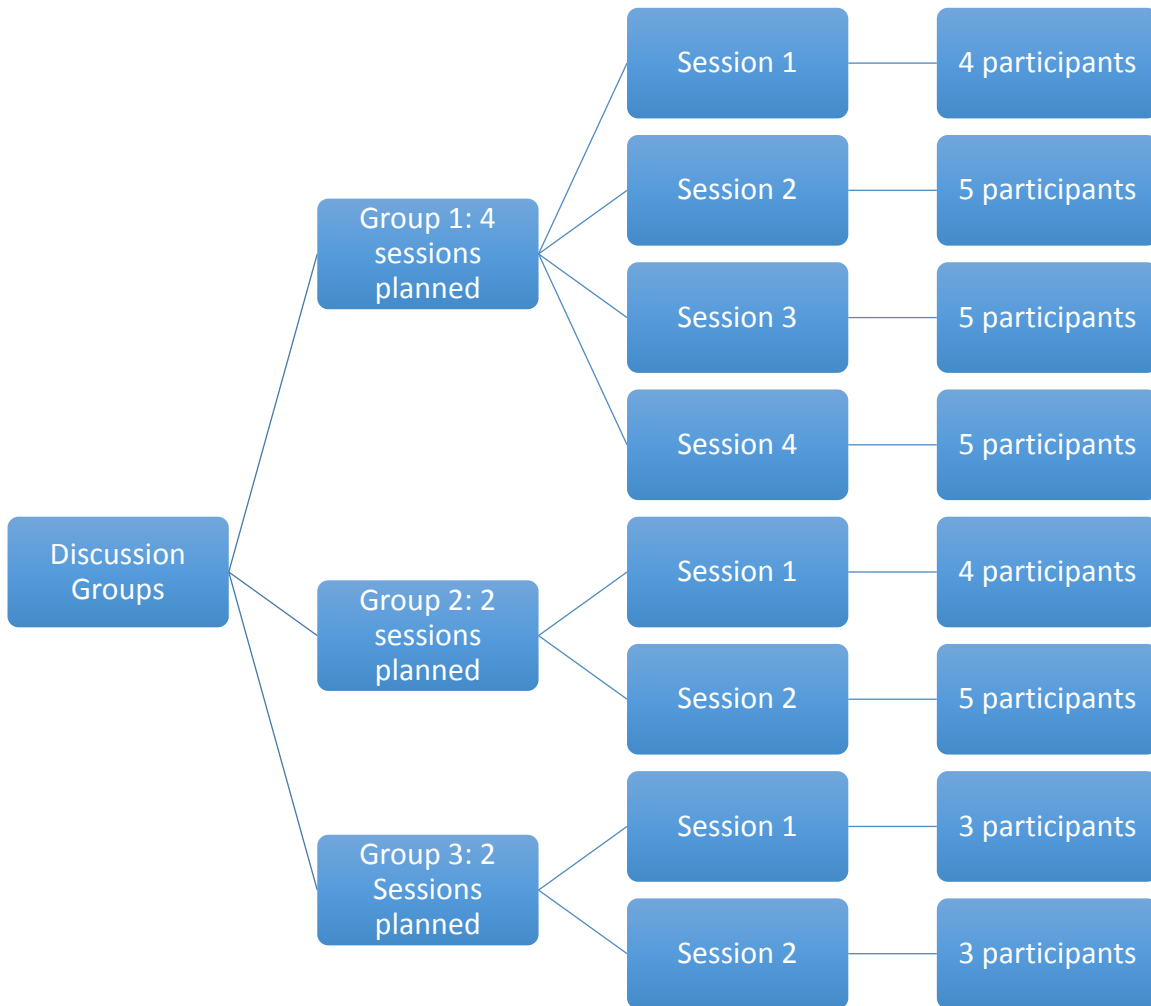
There were 37 volunteers in total as seen in Table 4.1 to 4.3 with the unsuccessful volunteers represented in Table 4.4. The volunteers that were not successful were emailed to thank them for being willing to participate and to inform them that they were unsuccessful. These three volunteers were chosen on the basis that there were too many similar volunteers already or did not fit the required criteria.

The three participants that were unsuccessful are given in the Table 4.4 below:

Table 4.4: Unsuccessful participants

Participant	Form of recruitment	Reason for being unsuccessful
1	Facebook	Not an accounting or other commerce major and does not fit participant criteria
2	Facebook	Too many male participants already, not enough of a gender balance in groups
3	Work and personal relationships	Too many male participants already and too similar in terms of culture and age to other participants

The rest of the 34 volunteers were successful participants and were contacted to thank them for their willingness to participate and to let them know that they will receive further information in relation to setting up the discussion sessions.

6. Group composition and scheduling of sessions

Group composition is crucial to the success of focus groups and thus there are three key areas that need attention when forming the discussion groups: (i) homogeneous or heterogeneous groups, (ii) shared events, experiences or characteristics, and (iii) familiar faces or strangers (Liamputtong, 2011).

i.   Homogeneous or heterogeneous groups;

Homogeneous groups are groups where like-minded participants or people with something in common, are grouped together. This allows free-flowing conversation and creates a comfortable environment. A heterogeneous group is a group of participants with major differences between them and many different perspectives (Liamputtong, 2011). This study uses a mixture of both these elements as the groups are put together firstly by their generation. The research thus has two different groups of participants based on their generation, Generation Y and Generation X. After the generation homogeneous grouping, the Generation Y group is divided between accounting and non-accounting groups (Homogeneous). Lastly, they are split into various smaller

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groups all with different gender, cultural and age differences - within the same generation (heterogeneous). The figure (figure 4.4) below illustrates this grouping process:

Figure 4.4: Group composition
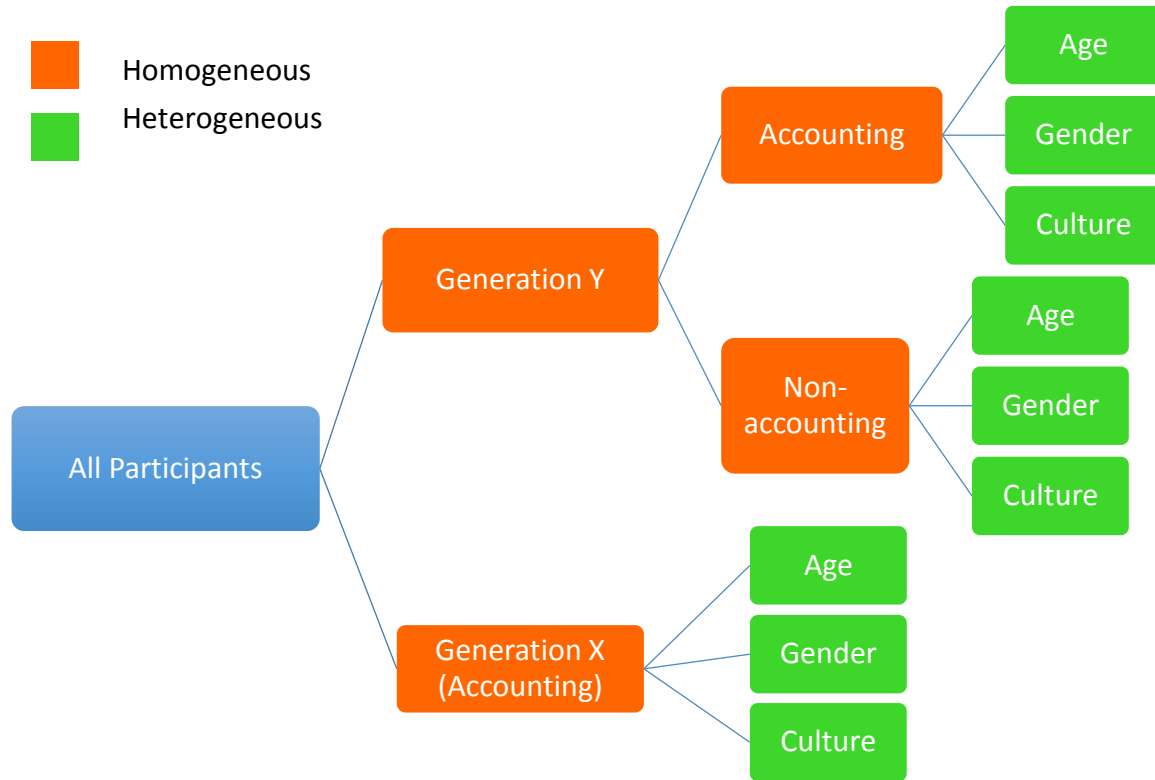
ii.   Shared events, experiences or characteristics

When participants with similar experiences are grouped together, they may find it easier to understand each other. This relationship is represented by grouping members from the same generation together (as seen in figure 4.4).

iii.   Familiar faces or strangers

When putting the focus group discussion groups together, deciding whether to group familiar participants or strangers together, will depend on the research. Using familiar faces is appropriate when the research is dealing with sensitive research topics and discussion, can make the recruitment process easier and prompt other participants and remind them of certain experiences (Liamputtong, 2011). Using strangers in a group is useful to avoid existing relations and pre-

established group norms and patterns of leadership, can encourage more honest views and opinions and avoids any confidentiality problems as the participants do not know each other personally (Liamputtong, 2011).

The groups in this research are mixed, with some familiar participants and some strangers, as familiarity between some participants could not be avoided because most of the participants were from the Business School at Victoria University of Wellington. Table 4.5 presents the final group compositions based on the above information.

Table 4.5: Final group composition

Group 1: Session 1			
British YAM	South African YAM	Chinese YAF	Indian YAM

Group 1: Session 2				
Singaporean YAF	Maori-New Zealand YAM	Hispanic YAM	Vietnamese YAF	Indian YAM

Group 1: Session 3				
New Zealand YAM	USA-New Zealand YAM	African YAF	New Zealand YAM	Middle Eastern YAM

Group 1: Session 4				
New Zealand YAM	New Zealand YAM	New Zealand YAM	Singaporean YAF	Dutch YAF

Group 2: Session 1			
New Zealand YNM	New Zealand YNM	Chinese YNM	Chinese YNM

Group 2: Session 2				
New Zealand YNM	Japanese-New Zealand YNM	New Zealand YNF	South African YNF	Eurasian YNM

Group 3: Session 1		
New Zealand XAF	South African XAF	South African YAM

Group 3: Session 2		
New Zealand XAM	Australian XAF	New Zealand XAF

Scheduling of discussion sessions

Location, date and time as well as duration of focus groups

A successful discussion and session relies heavily on the development of a comfortable, non-threatening and permissive discussion environment. Participants need to feel comfortable to discuss their opinions and experiences without fear that they will be judged or laughed at. Thus, both the emotional and physical environment is of importance (Liamputtong, 2011). Victoria University of Wellington served as the physical environment/location for the focus group sessions as it was close to public transport, in central Wellington and a safe environment. The sessions were held in a meeting room, which was not too big and had a view of the Beehive (Parliamentary Buildings). This environment allowed the participants to feel at ease and be comfortable with their surroundings as they were all familiar with the location.

As for the emotional environment, a comfortable environment was created by starting off each session with snacks and lighthearted conversation to put all the participants at ease with one another. The snacks which was mostly a platter of sushi, acted as both an icebreaker activity and as an incentive for the participants to attend. Most of these sessions were held either in the morning for students or later in the afternoons as some of the participants have full-time jobs and busy schedules. The sessions were also kept to an hour maximum as it was a busy time of the year (December) and since people were volunteering, it was important to use the time efficiently. This is one reason the focus groups were smaller than what was recommended by the literature.

7. Run the discussion groups

The different stages of a focus group discussion session are shown below in Figure 4.5. Each stage will be discussed in turn.

Figure 4.5: Stages of a focus group discussion session

1. Preparation on arrival/ Pre-discussion
2. Introductions
3. Questioning/ Discussion
4. End/ Debrief
After Session
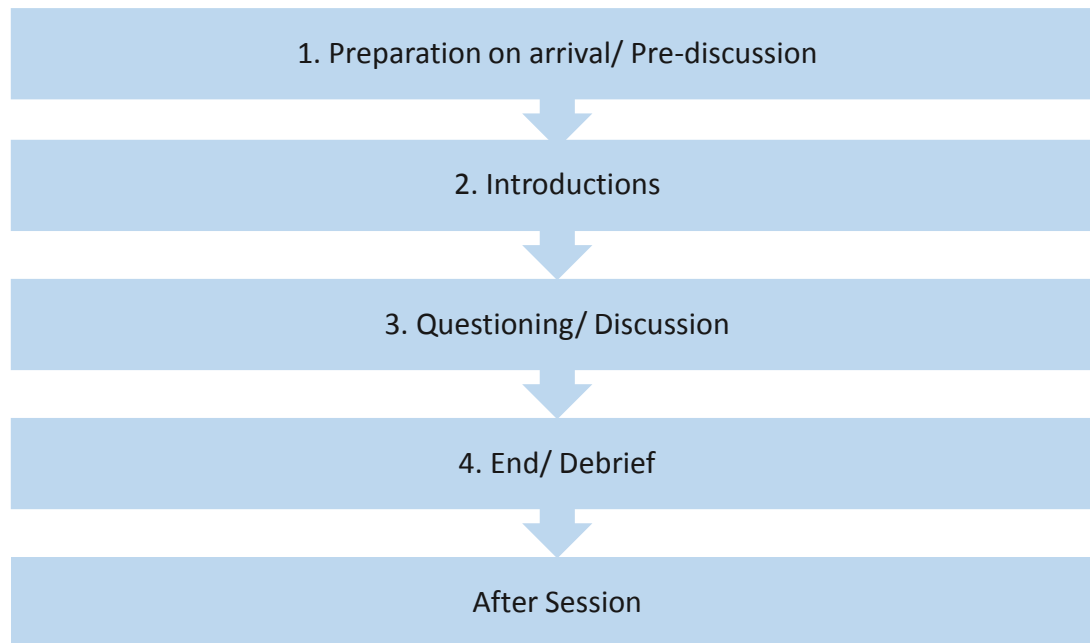
The preparation of the discussion group is important as all forms and sheets need to be put together and the sushi platter or other snacks needs to be organized. The moderator was always 15 minutes early to ensure the room was unlocked, snacks were prepared and all documents were in order. On arrival, each participant was offered snacks and allowed time to get to know the other participants in the room. During the introduction stage, the moderator introduced herself and the other participants while also giving some brief information relating to the research and running of the session. Earthquake and emergency procedures were explained and participants were given directions to the bathrooms and other necessary information. Each participant was handed out three documents: an Information Sheet, a Consent form and a Focus Group Ground Rules Form. These documents can be found in Appendix I, III and IV, respectively.

During the discussion session the topic of interest was discussed. The session was guided by a pre-prepared set of discussion questions, which was guided by the moderator. The moderator needs to be aware of the interaction in the group and may use his/her own experiences to invite the participants to open up. It is also important that the moderator is an open-minded person and who can listen and connect with people. The moderator, which is also the researcher in this study, was aware of the interaction in the groups and had to, in some cases, ask particular participants to share their opinion, as they were a little more reserved than others. It was important to ensure that there was no domination by certain personality types or social pressure in any groups, which may

influence the data and the opinions of the participants. The moderator was a good match for the discussion groups as she was around the same age as most of the participants, had experience with many different cultures and was herself, from a different country and background than most of the participants.

The questionnaire was designed using a book, Plugged in: the Generation Y guide to thriving at work, by Tamara Erickson (2008) which was an aggregated file of studies done on generational characteristics (specifically Generation Y) and how these differences will impact the workforce. In conjunction with this information, Vroom's Theory was used to bring some of the questions together to assess the three elements of Expectancy Theory (refer to Chapter 3).

The questionnaire, which can be found in Appendix V, was designed in three sections:

I.   Quotes from managers who have managed Generation Y employees in the past and quotes form Generation Y members as employees themselves;

II.   More in-depth questions which brings together both parts of the literature – generational characteristics and incentive and reward schemes; and

III.   A concluding statement, which sums up all the first questions as a final opinion.

Actual participant attendance

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The following participants did not attend their scheduled sessions because of personal reasons and unforeseen circumstances on the day (refer to Table 4.5):

Table 4.5: Non-attendee participants

Group 1: Session 1	
South African YAM	
Group 1: Session 2	
Singaporean YAF	
Group 1: Session 3	
Middle Eastern YAM	African YAF
Group 1: Session 4	
Singaporean YAF	
Group 2: Session 1	
New Zealand YNM	Chinese YNM
Group 2: Session 2	
New Zealand YNF	South African YNF
Group 3: Session 2	
New Zealand XAF	

The expected participant attendance number was 34, but the actual attendance figure was 24. After all the discussion questions were addressed, the session was closed off with the moderator asking the participants for any concluding remarks, questions or comments. The recording was then ended and a further few minutes were spent discussing the session and debriefing the participants.

8. Transcribe the focus group discussion sessions

The last stage of the session was the transcription of each of the sessions, which was done partly by the moderator and partly by a transcription company. The transcriptions were done using the participant's real names, but once the data was being analyzed, the name codes were used as discussed in section 4.5 (discussion point IV).

4.6. Data analysis

Qualitative research generally generates large amounts of data and can be overwhelming to the researcher, especially when dealing with focus group data (Rabiee, 2004). As this study is a qualitative study, the central aim of the data analysis process is to reduce the data (Robson 1993; cited in Rabiee, 2004). Reducing the data helps with making sense of the data and the interpretation of the findings. There are a number of stages that can help with the analysis and will vary depending on the research, group and participant numbers and complexity of the data. It is important to reemphasize that qualitative research and analysis aims to ascertain the true feelings, opinions and preferences rather than to search for the truth or laws, which is the aim of quantitative research. Nonetheless, documenting the data analysis process and keeping an evidence trail is important to support the study's accuracy, validity and to allow other researchers to repeat the data analysis process (Rabiee, 2004).

According to Yin (1989; cited in Rabiee, 2004), the three main stages that aid in analysis are (i) examining, (ii) categorizing, and (iii) tabulating the data. In simple terms, the data needs to be aggregated in order to address the research questions and objective. In addition to following these three main stages, the data analysis technique used is the *Constant Comparison Analysis Technique* (Onwuegbuzie, Dickinson, & Leech, 2009).

This technique consist of three main steps, namely:
I. Open coding, where the data is split into smaller sections or groups and given a code to identify the amount of smaller sections or groups.
II. The sections or groups with the same codes are then grouped together and their data aggregated.
III. The researcher then develops the main themes as identified by the code groups.

The discussion questions are divided into two main sections. Section 1 relates to quotes and asked participants to rate their extent of agreement or disagreement on a scale. These values were used to show the level of agreement and disagreement and to determine if generational differences exist. Section 2 relates to more in-depth discussions and did not include any scale, but still required participants to express their agreement or disagreement with the questions. The data analysis process is illustrated in Figure 4.6:

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Figure 4.6: Data analysis process

Data Analysis

Quote Questions

1. Every participant's ratings for each of the quotes are tabulated

2. The ratings are aggregated so that total number of agreeing and disagreeing participants for each quote can be identified

3. The total ratings are graphed to provide a visual representation of the feelings of all participants in relation to each quote

4. Lastly, main themes are identified within each quote in order to determine what drives each participant to agree or disagree with particular quotes

Discussion Questions

1. Each question is split into different concepts and elements, and then each participant's opinion or feeling is matched against it

2. The main themes or concepts are identified in each question based on the participants' responses and then matched with the questions concepts

3. All agreeing and disagreeing participants are aggregated within the main theme ideas to determine what drives each participant to agree or disagree

Following the process outlined in Figure 4.6, the analyzed data is presented in Chapter 5. The results of each quote and questions are addressed individually. Chapter 6 includes a section which addresses the research questions in conjunction with outlining the main themes as identified through the data analysis phase.

4.7. Limitations and chapter summary

In summary, determining the research requirements, data collecting and data analysis and processing took the longest. Focus groups were the best and most useful method for data collection, but took much more effort and analysis than was expected. It is a relatively long process with many parts that need to be carefully considered such as the group composition. All the planning for sessions went according to schedule, but the number of actual participants that attended the discussion groups was less than planned. This is only an issue if the existing groups did not yield valuable data and information, however the researcher still managed to gather valuable information. A study done by Rubin (2004) only had three participants in each focus group and collected very valuable and interesting data. The groups might have been smaller than expected, but the findings were interesting and strong as more in-depth conversations with the participants resulted.

Some general limitations of the chosen method and its execution are:

I. Only participants from Wellington (in New Zealand) were chosen and all student participants were from Victoria University of Wellington, which could result in bias responses from participants.

II. In two out of the eight groups only two participants attended which eliminates l group interaction. However, as mentioned the discussion was adjusted and more in-depth questions were asked and answered.

Chapter 5: Results and analysis

5.1. Introduction

This chapter examines the results and findings of the research. Part I of the chapter presents participant responses to quotes from people who have managed Generation Y members as well as to the quotes from Generation Y members themselves. Graphs have been included that show the participant's level of agreement or disagreement with the quotes. Two tables are presented for each quote as to illustrate firstly, the generational differences between Generation X and Y participants and secondly, the differential factors that were found to drive the participants feelings in relation to each quote. Part II presents the findings of the in-depth discussion questions and the main identifies themes, feelings and opinions that were gathered. One table is presented per discussion question to illustrate the potential generational and occupational differences between participants as well as the differentiating driving factors. The chapter closes off with a chapter summary.

5.2. Part I: Rating results

The section explores quotes from managers who have managed Generation Y members before. It represents the agreement or disagreement from both Generation X and Generation Y participants with each quote. If the Generation Y participants in this study, agree with the below quotes (characteristics) then it will be in support of prior research. However, they may not agree as this research argues that employees are not driven only by generational characteristics, but also by other differentiating factors. The Generation X participants were given the same quotes about Generation Y, but were told it was for Generation X members to see whether they agree or not. This will allow the researcher to identify if there is any generational difference between the two generations.

5.2.1. Managers' perceptions of Generation Y employees

Quote 1: "You do not care about customers"

All participants disagreed with this statement to some extent. The British YAM mentioned that it depends on how valuable a customer is a New Zealand YNMs and Chinese YNM argue that customers, regardless of their value are essential to running a business. Therefore, you cannot mistreat them as they will take their business elsewhere. Two of the Generation X participants, one New Zealand XAM and one Australian XAF, feel that this statement is very harsh and is not applicable to them as employees.

Figure 5.1: You do not care about customers
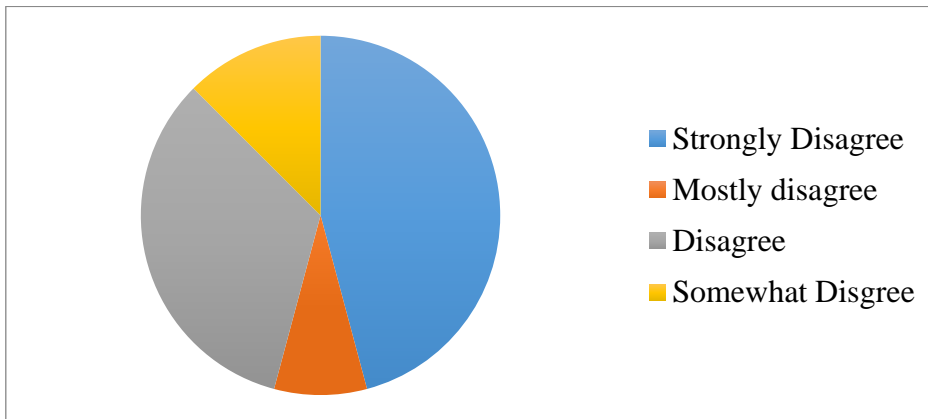
Figure 5.1 illustrates the extent of disagreement with this quote. They mentioned that customers are essential to any business and organization for operations and salary payments. Table 5.1.1 shows no indication of generational differences present and table 5.1.2 show some differentiating factors at play.

Table 5.1.1: Generational differences found

Quote 1	Gen X	Gen Y
Agree	0.00%	0.00%
Neutral	0.00%	0.00%
Disagree	100.00%	100.00%

Table 5.1.2: Differentiating factors found

	Quote 1	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	N	N	N
	Occupational	N	N	N
	Work values	Y	Y	Y
	Phase of career	N	N	N

Quote 2: "If you are corrected, then you will quit"

Three Generation Y participants[3] state that if they made a mistake then they will correct the mistake and take the feedback or criticism, but quitting in such a situation is extreme and not appropriate. A few participants[4], mentioned that as long as the criticism is constructive, rational justified, non-humiliating or embarrassing, then it should be taken with a positive attitude. A New Zealand YNM and Dutch YAF agree, and feel that in such a situation quitting seems reasonable to escape a miserable work environment. Overall 79.1% of the participants[5] strongly disagreed with the statement and feel the manner in which the criticism or feedback is given is important.

There is also a cultural aspect to this quote, which has been pointed out by a few participants[6]. A New Zealand XAM mentioned that in New Zealand there is a general believe that making a mistake is a bad thing, when it should not the case. A Japanese-New Zealand YNM and Australian XAF, mention it is not a bad thing and all employees need to realize that no one has all the answers, especially at an entry level role in a firm. All three of these participants believe that if you are corrected then it allows you to learn and grow. Both the Generation X participants believe that Generation X members acknowledge and understand this very well.

Figure 5.2: If you are corrected then you will quit

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[3] Two New Zealand YAMs and one Chinese YNM
[4] One New Zealand YAM, one Japanese-New Zealand YNM and one New Zealand YNM
[5] One New Zealand XAM, one Australian XAF and one New Zealand YNM
[6] One New Zealand XAM, one Japanese-New Zealand YNM and one Australian XAF
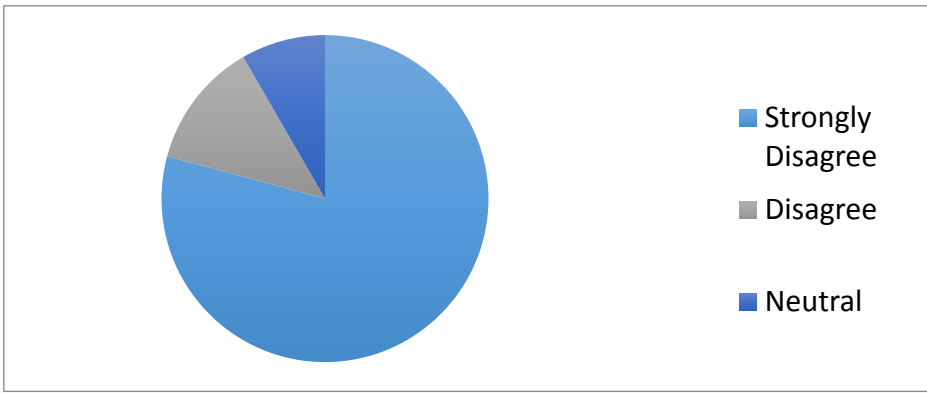
Figure 5.2 illustrates the variety of participant's opinions relating to this statement as can be seen, most of the participants disagree with the statement. Table 5.2.1. show no generational differences while table 5.2.2 show a number of differentiating factors.

Table 5.2.1: Generational differences found

Quote 2	Gen X	Gen Y
Agree	0.00%	0.00%
Neutral	20.00%	5.30%
Disagree	80.00%	94.70%

Table 5.2.2: Differentiating factors found

	Quote 2	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	Y	N	Y
	Occupational	N	N	N
	Work values	Y	Y	Y
	Phase of career	Y	N	Y

Quote 3: "You think there is always an excuse you can make up for being late ok"

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There were many different feelings and opinions on this statement, as can be seen in Figure 5.3. Only one participant, a Chinese YAF believes being late is unacceptable and no excuse or reasons is good enough. Approximately 42% of the participants[7] believe that it is important to distinguish between a reason and an excuse. These participants acknowledge that problems may occasionally come up e.g. in Wellington trains can be late. One Euro-Asian YNM mentioned that situations which are outside your control, are valid, however if you were late due to your own incompetence or bad organization, it is not acceptable. Those situations that are outside your control are perfectly good reasons for being late. According to a New Zealand YAM, it would depend on your reputation in the firm as to whether you reason is acceptable. Another participant, a Chinese YNM mentioned that if he were late, he would make up an excuse to get out of trouble. Clearly, there is a wide variety of opinions on this matter.

Generation X had strong opinions regarding this quote. An Australian XAF mentioned that you would not be able to get away with such behavior in an accounting firm, however they do understand and accept that there can be occasional situations where you may run late. A New Zealand XAM mentioned that due to the increase in women in the work force, many firms also acknowledge that women with children may occasionally run into some unforeseen problems. He points out that it would then come down to the manner in which you addressed the situation and whether the employee offered to work the hours in in addition to apologizing instead of making excuses. The South African XAM, who said, supported this view; "A reason, if valid, is a valid excuse".

Figure 5.3: You think there is always an excuse for being late

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[7] One British YAM, three New Zealand YAMs, one New Zealand YNM, one Australian XAF, one New Zealand XAM, one South African XAM, one Eurasian YNM and one Japanese-New Zealand YNM
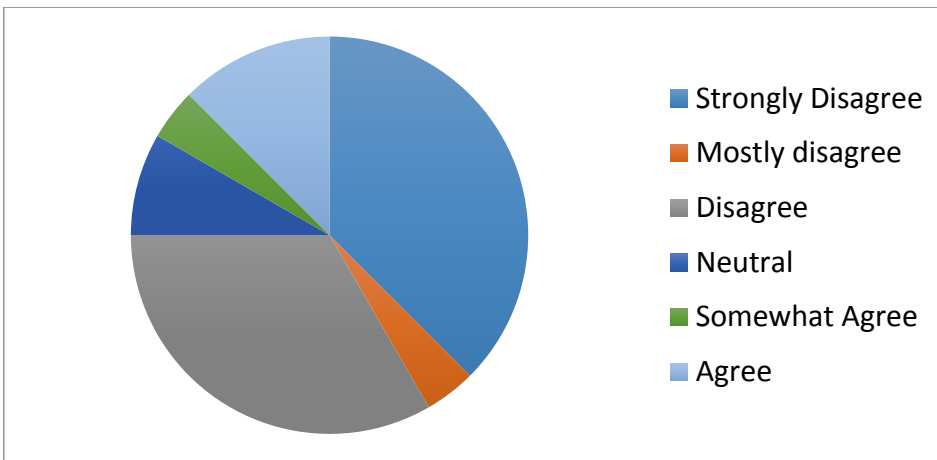
Figure 5.3 illustrates the variety of opinions on this statement. Some participants felt like it is unacceptable to be late, others distinguish between a reason and an excuse while others mention it depends on your reputation. Some mention that the workplace has evolved and can accept employees being late occasionally, but in accounting firms it appears that it is more difficult to get away with it.

Table 5.3.1: Generational differences found

Quote 3	Gen X	Gen Y
Agree	0.00%	21.05%
Neutral	0.00%	10.53%
Disagree	100.00%	68.42%

Table 5.3.2: Differentiating factors found

	Quote 3	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	N	N	N
	Occupational	Y	N	N
	Work values	Y	Y	Y
	Phase of career	Y	N	N

Quote 4: "You want a trophy just for showing up"

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In general, this statement offended most of the participants[8] as 83% disagreed to some extent with it. Two Generation X participants, one New Zealand XAM and one Australian XAF brought an interesting point to light, saying that the workplace has changed considerably in the past years. The female participant mentioned that thirty years ago you were expected to remain at one firm for many years, whereas today 'showing up' means something entirely different. The male participant agreed, and also added that in those days you would just do the best you could do every day. They did not have performance reviews and evaluations and their motto was simple "A fair day's work for a fair day's pay".

One New Zealand YNM mentioned that praise need to be justified for it to have any meaning. Another New Zealander YAM agreed and stated that points for participation is a mock reward. Two Generation Y participants, one Chinese YNM mentioned that he does the best he can every day because he owes it to himself and not to receive a trophy of some sort. The other Generation Y participant, a Japanese-New Zealand YNM asked a very important question in relation to this statement; "What do you get paid to do?"

Figure 5.4: You want a trophy just for showing up
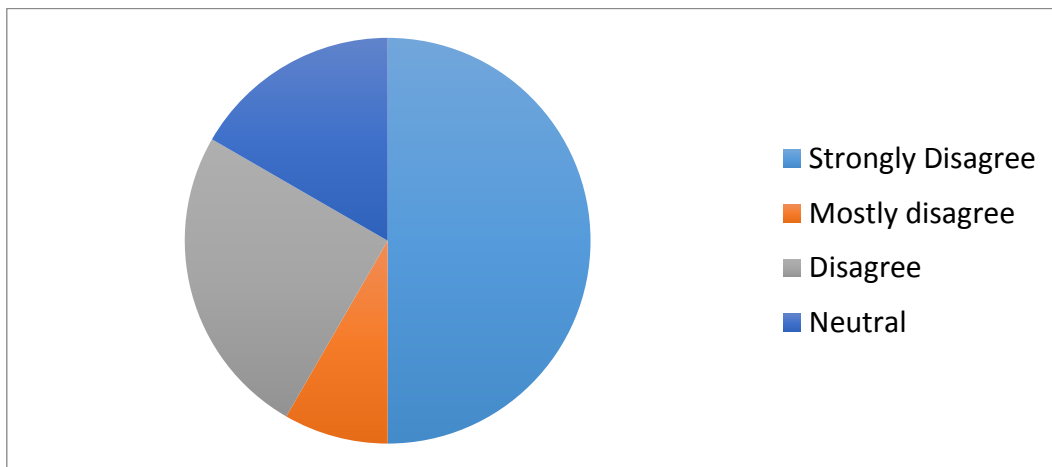
Figure 5.4 illustrates the participant's feelings towards this statement. Most of the participants disagreed with the statement, while some had little or no opinion. They mention that praise needs to be justified and worked for.

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[8] Four New Zealand YAMs, one Dutch YAF, one New Zealand YNM, one Hispanic YNM, one Indian YAM, one Maori-New Zealand YAM, one Vietnamese YAF, one Australian XAF, one New Zealand XAM, one New Zealand YAF, one South African XAM , one South African XAF, one Japanese-New Zealand YNM, one USA YAM, one New Zealand YNM, one New Zealand XAF, and one Eurasian YNM

Table 5.4.1: Generational differences found

Quote 4	Gen X	Gen Y
Agree	0.00%	0.00%
Neutral	0.00%	21.05%
Disagree	100.00%	78.95%

Table 5.4.2: Differentiating factors found

	Quote 4	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	N	N	N
	Occupational	N	N	N
	Work values	Y	N	Y
	Phase of career	N	N	N

Quote 5: "Yelling and screaming is the only thing you understand"

This statement attracted a lot of criticism and negative feelings as 96% of the participants[9] disagreed with this statement. Four Generation Y participants[10] said that yelling and screaming puts them on edge and makes listening even more difficult. As a result, they believe they are more likely to make mistakes. A New Zealand YNM mentioned that he is less likely to receive any message from a manager who yells.

Two Generation Y participants (one Chinese YNM and one Japanese-New Zealand YNM) state that when a superior or manager's yells and screams at them, it shows lack of emotional stability and weakness of intelligence and would cause them to lose respect for their manager or superior. An Indian YAM shared a different view stating that it is important to realize that in many cases a manager or superior's work or performance may depend on another employee and therefore they may yell and scream in frustration. However, it is still important to ensure the message is

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[9] Four New Zealand YAMs, one Dutch YAF, two New Zealand YNMs, one Hispanic YNM, two Indian YAMs, one Maori-New Zealand YAM, one Vietnamese YAF, one Australian XAF, one New Zealand XAM, one New Zealand YAF, one South African XAM, one South African XAF, one Japanese-New Zealand YNM, one USA YAM, one Chinese YNM, one New Zealand XAF, one British YAM and one Eurasian YNM

[10] Two New Zealand YNMs, one Eurasian YNM and one Japanese-New Zealand YNM

delivered clearly instead of attempting to use authority to get a point across, but he believes this sort of behavior is common in accounting firms.

However, the Generation X accounting participants (New Zealand XAM and Australian XAF) argue that in today's workplace there is a Code of Conduct, which prohibits this sort of behavior and therefore it, will not happen and if it did, you certainly would not get away with it. They do acknowledge that managers in accounting firms can sometimes be harsh and blunt, but they do not think yelling and screaming is appropriate or that it happens.

Two YNM participants, one New Zealand and one Japanese-New Zealand, argue that even if it were ever to happen, they would not be able to do much about it due to the power imbalance. They said that they might just end up taking the yelling and screaming if they were wrong, as their superior will have the power. They did however point out that they would accept it if they did something wrong, but not if it was due to inexperience or an accident. One Chinese YAF, mentioned that in Asian culture it is common practice for a boss to yell at lower level employees, regardless of age, but because they are the superior. She then goes on to say that in Western countries, such as New Zealand, she does not think this is the case. In contrast to the Chinese Female, a Chinese YAM said that he would never do that to anyone inside or outside the work place and therefore would not expect or put up with it from other people.

Figure 5.5: Yelling and screaming is the only thing you understand
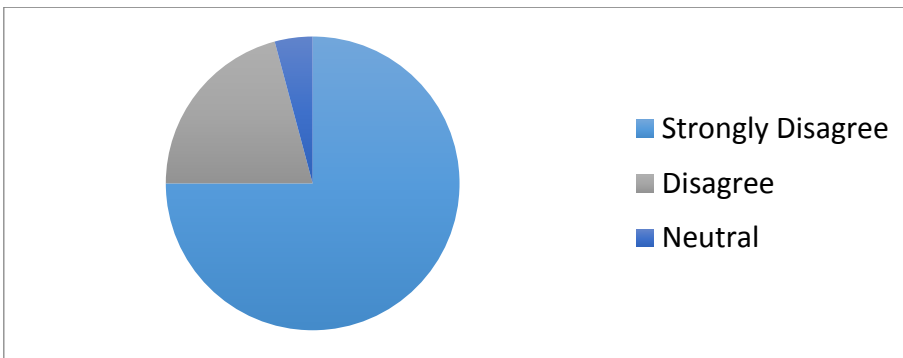
Figure 5.5 illustrates the participants' disagreement with this statement, with only one participant who doesn't care, as it is acceptable behavior in China (Chinese participant). Some mention that being yelled at makes it difficult to listen and focus and causes employees to lose respect for their superiors.

Table 5.5.1: Generational differences found

Quote 5	Gen X	Gen Y
Agree	0.00%	0.00%
Neutral	0.00%	5.26%
Disagree	100.00%	94.74%

Table 5.5.2: Differentiating factors found

	Quote 5	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	N	Y	N
	Occupational	N	Y	N
	Work values	Y	Y	Y
	Phase of career	N	N	N

Quote 6: "You pick up computer and cash register skills quickly, but if it breaks, you cannot count back change from a $10 bill"

A New Zealand YNM stated that he believes this statement would have been more applicable many years ago before they "decimalized currency" and before "life changing technology" was found. Two Generation X Accounting participants, one New Zealand Male and one Australian Female, had a contrasting view and agree that this statement does not apply to them or their generation, but does apply to Generation Y members, as they are too reliant on technology. The Eurasian YNM believes this statement goes beyond a generational characteristic as every person in the "world" nowadays uses some form of technology in the workplace regardless of the industry. Therefore it is not accurate to say this statement applies to some generations and not others.

Overall, all the participants disagreed with this statement, with 54.2% of them[11] strongly disagreeing. They said that they would be able to deal with this problem, regardless of the dollar amount. A Japanese-New Zealand YNM participant mentioned that Generation Y members are not reliant on technology, but simply use it. "Why would you not use it if it were available?" He does however believe that it this technology was not available, Generation Y members could cope without it and find alternative methods to deal with the problem.

Figure 5.6: You pick up computer and cash register skills quickly, but if it breaks then you cannot count back change from a $10 bill
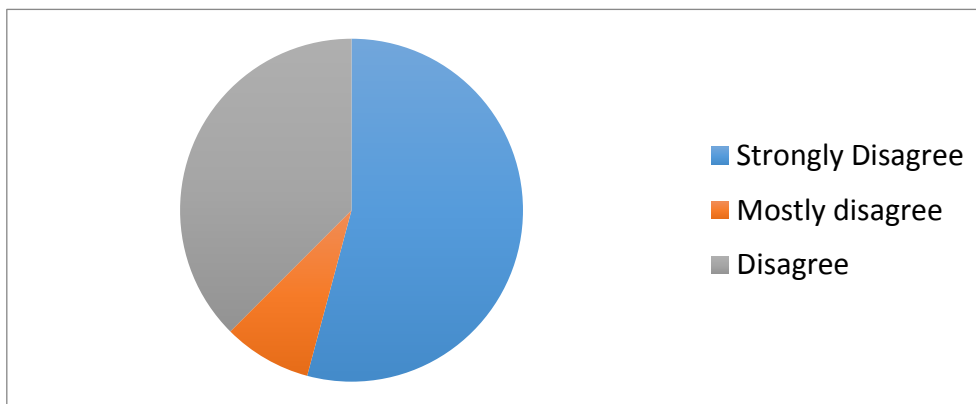
Figure 5.6 illustrates the participant's extent of disagreement with this statement. Each generation member believes they can deal with the problem, regardless of the dollar amount, with or without

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[11] Two New Zealand YAMs, one South African XAF, one Japanese-New Zealand YNM, one Dutch YAF, two New Zealand YNMs, one South African XAM, one Vietnamese YAF, one New Zealand XAM, one Australian XAF, one New Zealand XAF and one Eurasian YNM

technology and that they are not reliant on it, but utilizes it. However, Generation X participants had a different view.

Table 5.6.1: Generational differences found

Quote 6	Gen X	Gen Y
Agree	0.00%	0.00%
Neutral	0.00%	0.00%
Disagree	100.00%	100.00%

Table 5.6.2: Differentiating factors found

	Quote 6	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	N	N	N
	Occupational	N	N	N
	Work values	Y	Y	Y
	Phase of career	N	Y	N

Quote 7: "You will ask for an extended lunch hour to go shopping with friends after your third day on the job"

An Indian YAM mentioned that it would depend on how long you have been with the company. He pointed out that during the initial and introduction phase it is unacceptable to ask, but if you have been there a while, it might acceptable in some cases. Two participants, one New Zealand XAF and one Chinese YAF, state that it is unacceptable regardless of how long you have been at the organization or what the reason for the extension request is. However, all participants agreed that this request on the third day is ridiculous and they would never do it.

A Japanese-New Zealand YNM agreed that it not generally acceptable, but did mention that if they had family or close friends from overseas here for a limited time, he would take the opportunity to ask or if he had a really important appointment such as a doctor's appointment. Another Eurasian YNM agreed with the previous participant, and they also stated that it would

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come down to how hard you have worked in the period leading up to the day that you ask for an extended lunch hour and your work reputation. A different New Zealand YNM added to the previous point, and argues that it would also depend on the relationship you have with the manager in the organization. Two other Generation Y participants, one Indian YAM and one New Zealand YAM, mentioned that it would depend on how busy the office is, how much time you have to complete your work and what preferences your manager has.

One New Zealand YNM did mention that it is your responsibility as the employee to get the work done in the allocated time and therefore it is not correct to ask or expect to be allowed the extension, especially for this reason. One of the New Zealand YAMs stated that he would much rather work harder during the work day and go home earlier in the afternoon, instead of asking for an extended lunch hour as you can guarantee the work will be done by the time you leave. One of the participants didn't agree entirely with the rest of the participants and this Chinese YNM participant confessed that he would do it if it is acceptable practice in the office and everyone else was doing it, as it would not hurt anyone or his own reputation.

Two other participants, one New Zealand YAM and one New Zealand XAM mentioned that instead of asking for extended lunch hours, they would like the opportunity to accumulate lunch hours during the week and use them on one day in which they may have an important appointment. This way they get all their work done, but they would only do it if it were agreed with the manager. Overall, all participants agree that they feel very uncomfortable asking on the third day while 87.5% of the participants [12] mentioned that they would never be comfortable asking in general.

Figure 5.7: You will ask for an extended lunch break to go shopping with friends after you third day on the job

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[12] Two Indian YAMs, one Chinese YAF, one Dutch YAF, three New Zealand YAMs, one Maori-New Zealand YAM, one Vietnamese YAF, one New Zealand YAF, one South African XAF, one Japanese-New Zealand YNM, one Chinese YNM, one Hispanic YAM, one USA YAM, one South African XAM, one New Zealand YNM, one New Zealand XAM, one Australian XAF, one New Zealand XAF and one Eurasian YNM
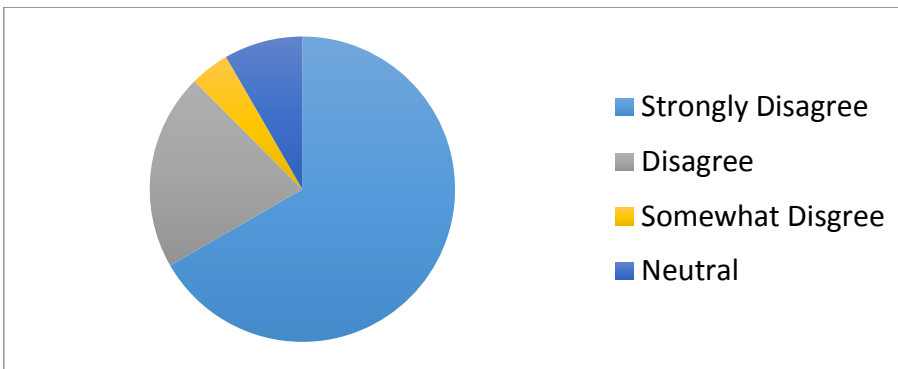
Figure 5.7 illustrates the disagreement of most of the participants on this statement. Some participants mentioned that it is unacceptable, while other feels that it will depend on your work reputation, how busy the office it, how long you have been there and if the appointment is important. However, on the third day, is never acceptable.

Table 5.7.1: Generational differences found

Quote 7	Gen X	Gen Y
Agree	0.00%	0.00%
Neutral	0.00%	10.53%
Disagree	100.00%	89.47%

Table 5.7.2: Differentiating factors found

	Quote 7	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	N	N	N
	Occupational	N	N	N
	Work values	Y	Y	Y
	Phase of career	N	Y	N

Quote 8: "You assume it is okay to call me by my first name like we are buddies, I am your boss"

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This statement attracted a lot of deep thought as30% of the participants [13] mentioned that in New Zealand it is normal to call your boss or superior by their first name as it creates a friendly and comfortable environment. They argue that because New Zealand is a country with a low hierarchical and power model, it would not fit in with the culture to use last names. One of the Indian YAMs pointed out that even when he was working in a Big 4 Accounting firm, it was common for colleagues regardless of their age and role, to address one another by their first names. The managers in the firm explicitly asked to be called by first name and therefore he believes that it is common practice in all accounting firms. A New Zealand XAM who argues that in New Zealand first name is the most appropriate approach in accounting firms supports this.

Five participants [14] agree that in New Zealand first name basis is the norm, however they also mention that there may be exceptions to this practice. If a manager or superior introduces themselves by last name, it is appropriate to keep using their last name when addressing them. Other participants point out when the use of a person's first name is appropriate would depend on many other factors such as;

- [15]The level of familiarity with the manager;
- [16]Whether you are in a formal or casual setting;
- [17]What the relationship is like between the employee and the superior; and
- [18]The period of employment.

The Australian XAF strongly believes it depends on one's culture and in New Zealand it is the norm to address most colleagues by their first name. She did mention that when she was younger she would address older colleagues by their last name, but when she entered the accounting world, she was told not to. Two South African XA participants (one Male and one Female) pointed out that in South Africa, it would be different. You always address your manger, superior or elder by their last names, as it is a sign of respect. However, they also mentioned that this culture was not applied in the accounting field in both South Africa and New Zealand.

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[13] One New Zealand XAM, one Indian YAM, one Dutch YAF, two New Zealand YAMs, one New Zealand YNM and one Japanese-New Zealand YNM
[14] One Chinese YAF, one British YAM, two New Zealand YAMs and one New Zealand YNM
[15] One New Zealand YNM
[16] One New Zealand YAM
[17] One New Zealand YAM
[18] One New Zealand YNM

One Japanese-New Zealand YAM and one Eurasian YAM also agree with the South African participants and state in many Asian countries you would not use first name. However, they are not confident that this culture would apply in the accounting field in any country.

Figure 5.8: You assume its ok to call me by my first name like we are buddies. I am your boss
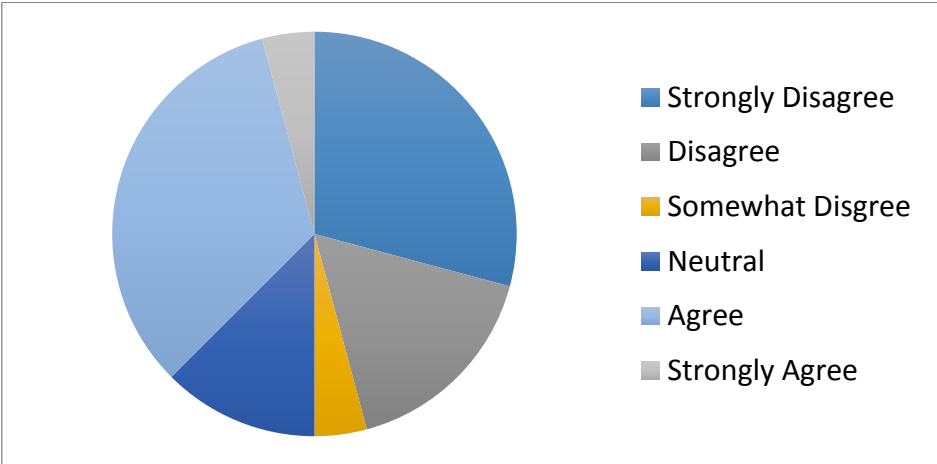
Figure 5.8 illustrates the wide variety of participants' responses, feelings and opinions. Participants pointed out that by using first names it creates a comfortable environment and believe that it is preferred and appropriate for the accounting world, as well as in New Zealand culture.

Table 5.8.1: Generational differences found

Quote 8	Gen X	Gen Y
Agree	0.00%	47.37%
Neutral	0.00%	15.79%
Disagree	100.00%	36.84%

Table 5.8.2: Differentiating factors found

Differentiating factors	Quote 8	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
	Gender	N	N	N
	Culture	Y	Y	Y
	Occupational	Y	Y	Y
	Work values	Y	Y	Y
	Phase of career	N	N	N

Quote 9: *"Anything extra nice I do, you act as if I owed it to you"*

All the participants disagreed with this statement and mentioned that they would be appreciative and thankful, however they do not expect it, especially in the accounting firms.

Figure 5.9: Anything nice I do for you, you act as if I owed it to you
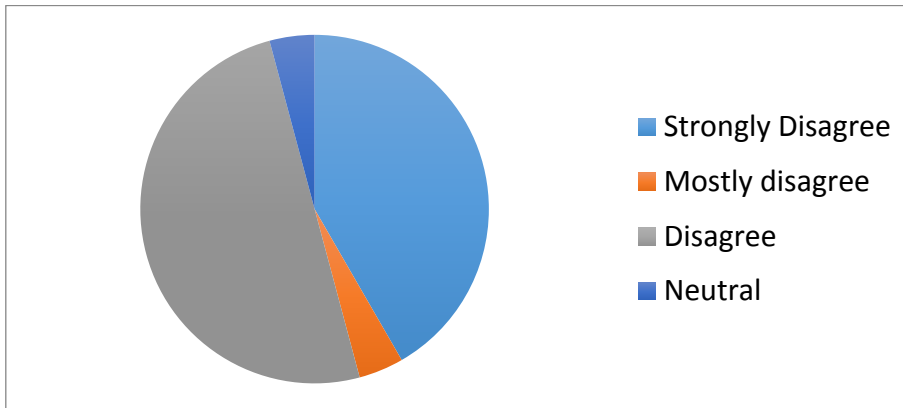
Table 5.9.1: Generational differences found

Quote 9	Gen X	Gen Y
Agree	0.00%	0.00%
Neutral	0.00%	5.30%
Disagree	100.00%	94.70%

Table 5.9.2: Differentiating factors found

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	Quote 9	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	N	N	N
	Occupational	Y	Y	Y
	Work values	Y	Y	Y
	Phase of career	N	N	N

5.2 Generation Y employees' perceptions themselves

Quote 10: "I am not defined by my job"

The majority of the participants, both Generation X and Y, agreed with this statement (79%)[19] while a smaller portion around 21% disagreed[20] with the statement. Three[21] feel like their jobs are only a small part of who they are and only an activity they perform between nine and five, five days a week. A British YAM pointed out that in many cases a job is only a job and a way to make money and thus is not a true reflection of a person's decisions and goals. Another Indian YAM agreed and elaborated by saying that it would very much depend on a person's culture. In India, parents support their children until they are able to work and it then becomes the child's responsibility to look after their parents. The children may have to find work in other countries and in many cases may end up doing jobs they do not really want to do, but it makes money. In those cases where the employee does not have a job or a choice in relation to their occupation, it does not define the person at all.

Some of the other Generation Y participants[22] agree with the previous point and argue it should be acknowledged that some people don't have a choice, especially those in low-socioeconomically situations and they may have to do any job in order to receive income. They

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[19] Two Indian YAMs, one British YAM, one Chinese YAF, four New Zealand YAMs, one New Zealand YAF, one South African XAF, one Dutch YAF, one Hispanic YAM, one Chinese YNM, two New Zealand YNMs, one South African XAM, one Vietnamese YAF, one New Zealand XAM and one New Zealand XAF

[20] One Japanese-New Zealand YNM, one USA YAM, one Maori-New Zealand YAM, one Australian XAF and one Eurasian YNM

[21] One New Zealand YNM, one Chinese YNM and one New Zealand XAM

[22] One Indian YAM, one Japanese-New Zealand YNM, one New Zealand YNM and one New Zealand YAM

point out that in New Zealand there are many immigrants, and in some cases taxi drivers in New Zealand may have been former doctors and highly educated people, but due to the language, country or laws, may do jobs that they do not necessarily have a passion for.

There are also some participants[23] who do feel like they are defined by their jobs. They attach a lot of importance to their jobs, feel proud of what they are doing and love it. One of these, a Japanese-New Zealand YNM, mentioned that he chose a career in which he is intrinsically motivated and defines him really well. Another Eurasian YNM also loves his job and stated that he would find it very difficult to let go of it and do something else, as this job does define him. He also points out that even if he has to move on and do another job, he will still define himself by his current job. Two other Generation Y participants, one Dutch YAF and one USA-New Zealand YAM argue that although they do not feel defined by their jobs, it would depend on how much pride they take into their job and how much it becomes an integrated part of their lives.

Figure 5.10: I am not defined by my job
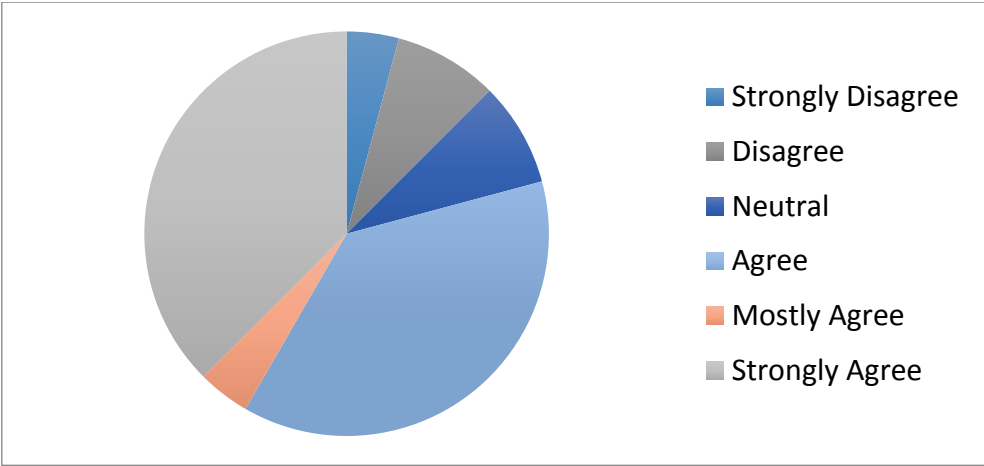
Figure 5.10 illustrates the participants' responses, feelings and opinions, which were quite diverse. Some participants feel that their jobs are only a part of them while others feel that it is a significant part of them.

Table 5.10.1: Generational differences found

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[23] One Australian XAF, one New Zealand YAM, one Japanese-New Zealand YNM and one Eurasian YNM

Quote 10	Gen X	Gen Y
Agree	80.00%	10.53%
Neutral	0.00%	10.53%
Disagree	20.00%	78.94%

Table 5.10.2: Differentiating factors found

	Quote 10	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	N	Y	N
	Occupational	N	N	N
	Work values	Y	Y	Y
	Phase of career	N	N	N

Quote 11: "I want to have a say about when I work"

There were many different views and opinions on this statement, but 50% of the participants[24] did admit that it would be nice to have more flexibility although they do realize it is not usually available in a corporate environment. There are many factors employees would need to take into consideration when deciding on the option for flexible work hours such as:

- When it is most profitable for the firm to have you working[25];
- On your job role, when it suits your colleagues and clients, when other companies operate as it is the norm to be operating from nine to five most days of the week[26];
- Whether other employees are allowed this option and if it is acceptable inside the office[27];
- Whether it is a part-time or casual job as it might be more acceptable than in a full-time job role[28]; and

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[24] One Indian YAM, one New Zealand YNM, one Dutch YAF, one British YAM, a Hispanic YAM, one Maori-New Zealand YAM, one New Zealand XAM, one Japanese-New Zealand YNM, one South African XAM, one New Zealand XAF and two New Zealand YAMs
[25] One British YAM
[26] One Indian YAM
[27] One New Zealand YNM
[28] One New Zealand YAM and one Dutch YAF

- Whether you can get the expected work done when is needed and whether you can co-ordinate with other colleagues efficiently[29].

Some of the Asian participants[30] agreed that they do not care whether this option is offered to them or not. They believe that if you have job and you intend on keeping it, you need to do what is expected of you and when it is best for the company and not yourself. One Chinese YAF, mentioned that in China it is common to sometimes work from early one morning right through the night into the next morning, while still coming into work that same day. She believes it is common in the Big 4 accounting firms and further points out that they are replaceable and if you want to keep your job, you need to put up with it. Another Asian participant, a Chinese YNM agreed that, if you want to keep your job (regardless of the industry or your occupation) you need to be willing to sacrifice your personal life. He states that you get paid to do the work, so you need to do it no matter how long it takes you. Another participant, a Maori-New Zealand YAM mentioned that because he has interests outside of work, such as sports and hobbies, that he would appreciate the opportunity to have the flexibility. A Hispanic YAM agreed and mentioned that he feels like his work quality is best when he can work at his own pace and allocated times, while another New Zealand YNM prefers to have a daily work routine.

Three Generation X Accounting participants; one New Zealand XAF, one South African XAM and one South African XAF, pointed out that years ago they didn't have this option of flexible work hours and they just worked whatever hours they were asked to. Today they would like the option, but emphasis that it is not an essential option they are actively looking for.

Figure 5.11: I want to have a say about when I work

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[29] One Japanese-New Zealand YNM
[30] One Chinese YAF, one Chinese YNM, one Vietnamese YAF, one Indian YAM and one Eurasian YNM

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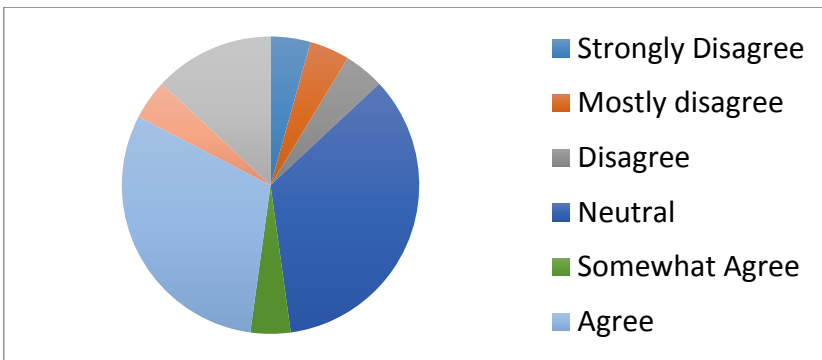
Figure 5.11 illustrates the participants' responses and very diverse opinion on this matter. Most participants mentioned it would be nice to have the option, but they understand that it has little place in a corporate environment. Most of the Asian participants mentioned that in Asian countries the option is not even there and they do not care either.

Table 5.11.1: Generational differences found

Quote 11	Gen X	Gen Y
Agree	75.00%	47.37%
Neutral	0.00%	42.10%
Disagree	25.00%	10.53%

Table 5.11.2: Differentiating factors found

	Quote 11	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	N	Y	N
	Occupational	N	Y	N
	Work values	Y	Y	Y
	Phase of career	Y	N	N

Quote12: "I want to have a say about how I do my work"

Three Generation Y participants[31] did not agree with this statement entirely as they pointed that in many cases there are only one way of doing a task and that is the only way it should be done. All participants acknowledged that there may be situations where you are told to do things in a certain way as that person has experience in the field and wishes to pass on valuable information to you including what manner is the most effective in getting the work done. However, some participants pointed out that if the intention is not to pass on such information, they would rather do it their own way as they might already have experience in the field and their way might be more effective and efficient. They would like to know that there is support and advice available if it is needed and don't mind direction, but not micro-management.

A New Zealand YAM pointed out that he is not too concerned with this option, the focus is the results of the task at hand and as long as the results are produced, the method or manner in which an employee does it should not matter. It has also been pointed out by an Indian YAM that it would very much depend on the job role you are operating in, the industry and processes you deal with in the organization. In accounting roles and industries, there is usually one way of doing it and it is the only acceptable method.

A Chinese YAF drew a distinct line between New Zealand and Chinese work environments. She believes that this choice is usually available in New Zealand, but definitely not in China. She emphasized that in China, the employers emphasize efficiency and thus everyone does it whenever it is best for the business. Another participant, a South African XAM had a different point of view and mentioned that if you are employed by a company, they know what your skills and capabilities are and therefore he should be able to do it the way he feels is best. If he is not meeting the employer's expectation then he will compromise and find alternative ways in order to achieve the expected results.

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[31] One British YAM, one Indian YAM and one New Zealand YNM

Figure 5.12: I want to have a say about how I do my work
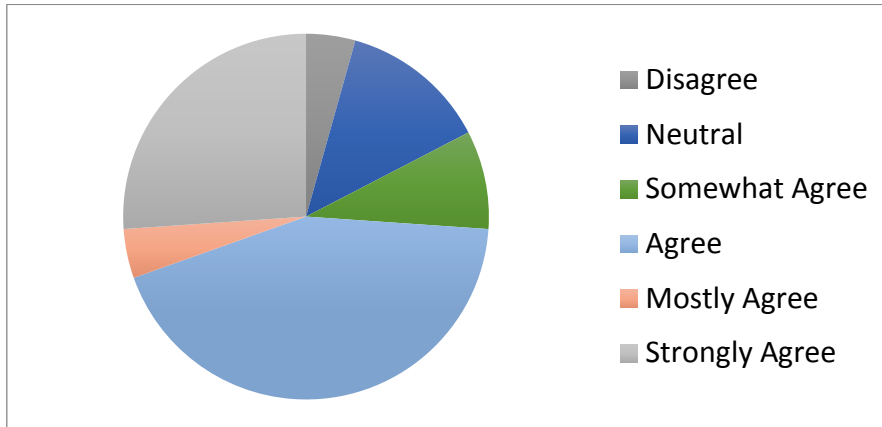
Figure 5.12 illustrates the participants' responses, which were mostly agreement with the statement. The participants do not like to be micro-managed, but appreciate support, advice to improve their skills and work quality as well as their effectiveness as employees.

Table 5.12.1: Generational differences found

Quote 12	Gen X	Gen Y
Agree	100.00%	77.78%
Neutral	0.00%	16.67%
Disagree	0.00%	5.55%

Table 5.12.2: Differentiating factors found

	Quote 12	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	N	Y	N
	Occupational	N	Y	N
	Work values	Y	Y	Y
	Phase of career	N	N	N

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Quote 13: "I do not expect you to be my best friend, but when you evaluate or critique me, I want you to do it in a friendly way (just like my parents did)"

Once again, there were many different viewpoints on this statement, however all participants thought the mentioning of their parents were completely inappropriate and incorrect. Half of the participants[32] pointed out that the manner of the evaluation, critique and feedback given is of importance. They disagree that feedback and criticism should be given in a friendly manner and state that they expect it to be given in a polite, fair, professional and constructive manner. Some of the participants[33] mention that being best friends with your boss is not acceptable or good for business, so no to friendly manner, but yes to doing it in a professional manner. Two Generation X Accounting Female participants, one New Zealander and one Australian, pointed out that criticism should never be personalized and be used to attack someone's personality. Therefore, they agree it should be fair and delivered in a professional manner.

One Generation Y participant (an Indian YAM) raised an important point and said that it is important to acknowledge that in an accounting firm or corporate environment, one mistake could cost the company a lot of money. Therefore, friendly criticism is not an option or effective, but polite critique or criticism will be more effective. A New Zealand YAM participant had an entirely different opinion. He prefers criticism and feedback to be "sugar coated" or using the [34]compliment sandwich method, as it is too difficult for him to accept criticism otherwise. One participant, a Japanese-New Zealand YNM mentioned that he also prefers to have something nice said to him before they deliver the critique or criticism (i.e. the compliment sandwich), as it gives him confidence and he doesn't then feel like his self-esteem is under attack. Two other Male participants: one Hispanic YAM and one New Zealand YNM, argue that they do not appreciate the "Compliment Sandwich", as it is pointless and not as effective. They would rather the criticism and feedback is delivered to them straight up and openly. Other participants mention that the important aspect about this statement is not only the manner in which the criticism or critique is given, but also the delivery of the message.

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[32] One British YAM, one New Zealand YNM, one Vietnamese YAF, one Maori-New Zealand YAM, one Australian XAF, one New Zealand XAM, one Japanese-New Zealand YNM, one New Zealand YAM, one New Zealand YAF, one USA YAM, one New Zealand XAF and one South African XAM

[33] Two New Zealand YAMs, one Dutch YAF and one Australian XAF

[34] The Compliment Sandwich is when you praise the employee and point out something they have done well, before telling them what needs addressing and closing-off with a positive point again.

Furthermore, there is a cultural aspect to this point. The Japanese-New Zealand YNM and Eurasian YNM explain that in Asian countries such as Japan and Malaysia, people do not generally have harsh words for one another. "They are very harmonious and peaceful people".

Figure 5.13: I do not expect you to be my best friend…(just like my parents did)
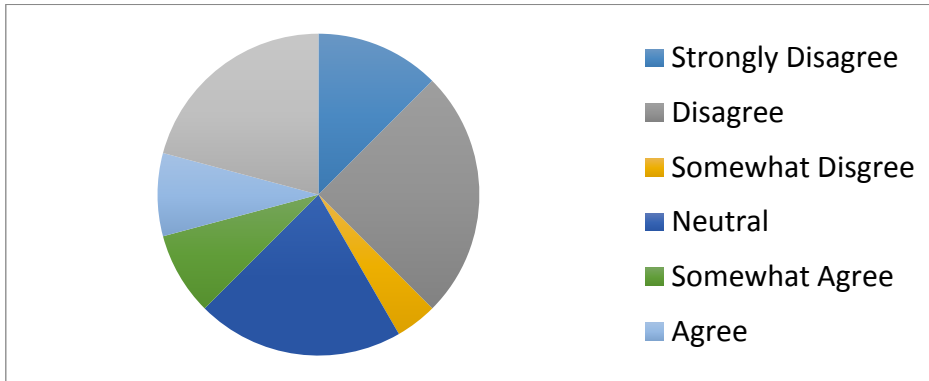
Figure 5.13 illustrates the variety in participant responses, feelings and opinions about the quote. Most of the participants agree that they would not want to be best friends with their bosses. Further, feedback and criticism should be professional, fair, justified and rational and not used to attack an employee's personality.

Table 5.13.1: Generational differences found

Quote 13	Gen X	Gen Y
Agree	60.00%	31.58%
Neutral	0.00%	26.31%
Disagree	40.00%	42.11%

Table 5.13.2: Differentiating factors found

	Quote 13	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	N	Y	Y
	Occupational	N	Y	N
	Work values	Y	Y	Y
	Phase of career	N	N	N

Quote 14: "I want you to give me direction and then get out of my way"

This was the statement that received the most variety in opinions and feelings. Two Generation Y participants[35] argue that during the initial or introduction phase into a new role or organization, guidance and direction is needed and appreciated. However, once the employee becomes more comfortable, they would like to do it their own way. A few of the participants[36] prefer to find their own way, but would like to know that there is support available if they need it. The Chinese YAF participant mentioned that she does not care or have a preference as long as the work gets done. Generation Y participants[37] state that they do not appreciate or like being interrupted while working. One New Zealand YAM appreciated and prefers to receive regular guidance, but distinguish between people whom he would take it from. Two Generation X participants mentioned that they are very happy taking direction and to be guided, but without micro-management.

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[35] One Indian YAM and one New Zealand YAM

[36] One Hispanic YAM, one Japanese-New Zealand YNM, one USA YAM, One New Zealand YNM and one Eurasian YNM

[37] One British YAM, one Chinese YNM, one New Zealand YNM, one New Zealand YAF and one USA YAM.

Figure 5.14: I want you to give me direction, then get out of my way
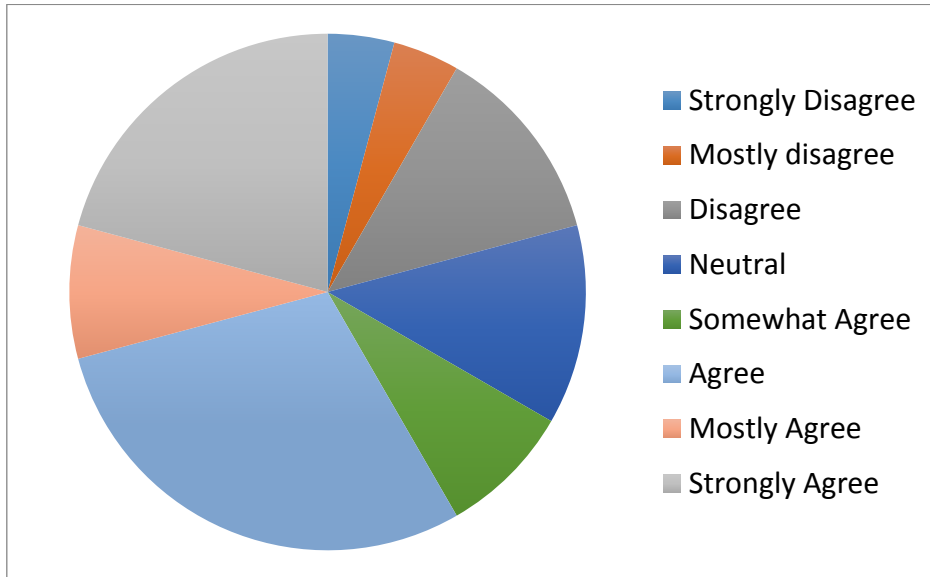
Figure 5.14 illustrates the participants' responses, and shows that there was a wide range of feelings and opinions regarding this quote.

Table 5.14.1: Generational differences found

Quote 14	Gen X	Gen Y
Agree	60.00%	68.42%
Neutral	0.00%	15.79%
Disagree	40.00%	15.79%

Table 5.14.2: Differentiating factors found

	Quote 14	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	N	N	N
	Occupational	N	N	N
	Work values	Y	Y	Y
	Phase of career	N	Y	N

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5.3. Part II: Discussion results

The section explores more in-depth feelings and opinions from the participants. The discussion questions were formed based on the literature of generational characteristics (refer to section 2.2.) and therefore the participants can address and discuss the question in any manner they want. The main goal of this part is to explore the differentiating factors in depth and to determine whether there is a clear distinction between Generation X and Generation Y participants' feelings and preferences. A table is presented per discussion questions to illustrate the generational and occupational differences between participants as well as the differentiating driving factors.

Discussion 1: "You are expected not to be too concerned with financial security and a good salary, but instead you are expected to place more emphasis on job fulfillment and satisfaction"

Financial Preference

Three Generation Y participants[38] agreed that they do value financial rewards and incentives at this point in their lives, but suggest this preference may change, as they get older. Two of the XAFs, one New Zealand and one Australian, agree and argue that when they left university they had a student loan, living was expensive and they had many things they wanted to do. Therefore money was also a priority for them at that point, however it has now changed.

A Chinese YAF also prioritizes financial inventive and rewards. She believes this preference may be due to the fact that she is already over thirty years old and has both her parents and partner to support. In Chinese culture (and other Asian cultures), it is very common for the child to support their parents when they are able to and as a result she is focused on finances. She also points out that when she has children, she will need to support them as well and put them through school and university. If it was a choice between non-financial options such as flexible work hours or additional training days, she would much rather take the financial reward and train in her own time.

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[38] One British YAM, one Vietnamese YAF and one USA YAM

The Dutch YAF participant agreed that financial rewards are her preference, as she does not intend to work all her life. She would rather obtain as many financial rewards as possible now and sacrifice non-financial rewards as she can pay for those herself and do them in her own time. One New Zealand YAM agreed and stated that if there is a choice between financial and non-financial, he would choose the financial rewards, and pay for the non-financial options himself. However, he realizes that some non-financial rewards such as social events have important aspects to them. A Chinese YNM also prefers the financial rewards and incentives. He mentioned that in China, people evaluate their job satisfaction based on their salary. He thus believes that his job satisfaction will come from earning a high salary and therefore he is willing to sacrifice non-financial rewards. He also points out that if he saves more now you will be better off later in life, especially when you have children.

One Indian YAM and one Hispanic YAM argue that their job satisfaction and salary are interlinked. The Hispanic participant mentioned that he knows people who do jobs that they despise, however they make a very large amount of money and thus derive satisfaction and fulfillment from the salary. The Indian participant believes that if your job is physically more demanding, then you will put up with it in order to receive large amounts of money. The same relates to people who work in underdeveloped countries, as they know the salary is much better. The Japanese-New Zealand YNM participant states that for him it all comes down to Maslow's Hierarchy of Needs. In order for him to achieve job satisfaction and fulfillment, he needs a reasonably good salary as he is building the basis for the rest of his life. He states that he feels freer, knowing that he has a stable base to build on.

In support, an Eurasian YNM states that he does not believe the youth of today has a choice in the matter due to the current (and recent) economic state. He feels like they have been dealt a bad hand and are being forced to focus on salaries and financial securities. He states that "Generation Y is paying ridiculous amounts for loans and can't even own a house, so they do not have a choice". It is important to note that even though all the above participants prefer financial rewards, they want to know that there are future promotional opportunities available in the firm (which is a non-financial incentive option).

In simple terms, these participants do not value financial rewards as they are inexperienced and need to gain experience and grow before they can achieve a higher salary. As they become

experienced workers they will value financial rewards to compensate for their work, skills and knowledge. Then as they near retirement, they will be less concerned with financial rewards as they will have a family and would like some time to enjoy life. Figure 10.15 represents this change in preferences and priority of financial rewards as one moves through different phases of one's career.

Figure 5.15: Importance of financial incentives throughout different phases of a career

Experienced

Inexperienced   Very experienced
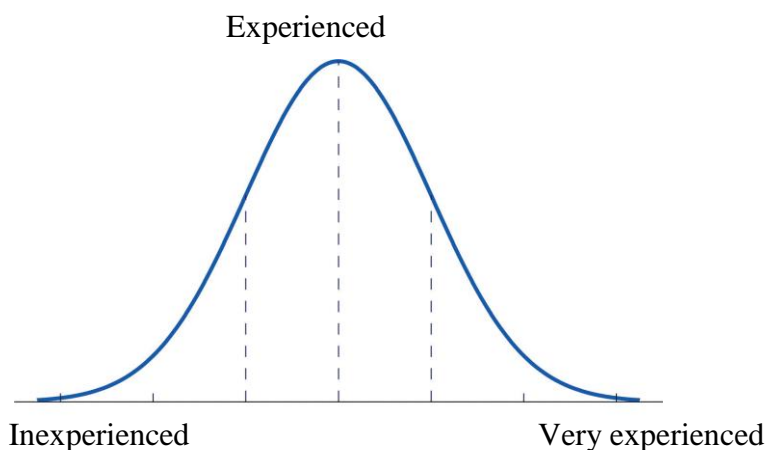
Combined Preference

A different group mentioned that there are other rewards and incentives besides financial rewards that are important to them at this point in time, such as:

- Gaining valuable experience[39];
- Opportunities for future growth and promotions[40];
- Professional development options[41].

Figure 5.16 represents the importance of non-financial rewards compared to financial as presented in figure 5.15. In simple terms, these participants value non-financial rewards as they are inexperienced and need to gain experience and grow before they can achieve a higher salary. As they become experienced workers they will value financial rewards more to compensate for their work, skills and knowledge and value non-financial rewards less. Then as they near

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[39] Two New Zealand YAMs
[40] One Maori-New Zealand YAM
[41] One New Zealand YAM and one New Zealand YNM

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retirement, they will be less concerned with financial rewards as they will have a family and would like some time to enjoy life and thus will value non-financial rewards.

Figure 5.16: Importance of non-financial incentives throughout different phases of a career

Inexperienced

Very experienced

Experienced
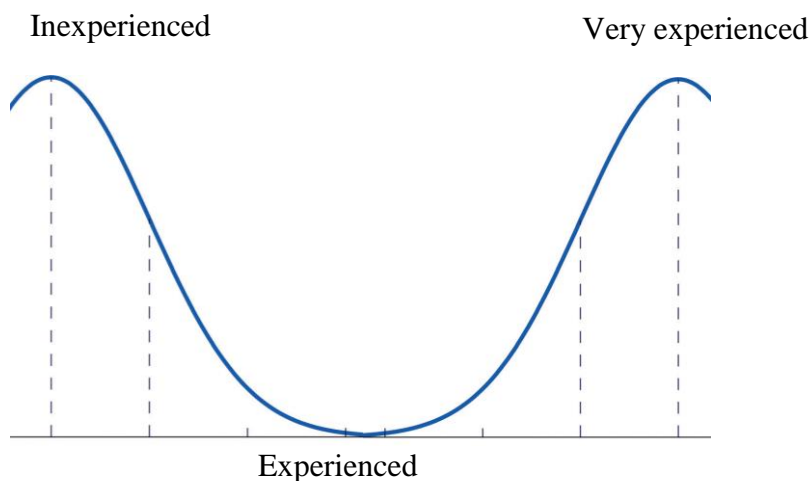
All of these participants realize that in order to earn a higher salary later in life, they need to pay attention to professional and self-development first. An Indian YAM also referred back to the days that he was a graduate just starting out in an accounting firm. He mentioned that he thinks he was too eager when he entered the workforce and often wondered whether his salary was too low. Once he started work, he realized that for him it all came down to work-life balance and that if he wanted a higher salary, he would need to sacrifice his personal life. He strongly believes that it is not possible to find a balance and thus a choice between one or the other needs to be made (financial and non-financial incentives and rewards). Some of the other Generation Y participants[42] considered this choice as a 'balancing the scales' idea. They prefer financial rewards to non-financial rewards, but believe at some point they will prefer some non-financial to balance out the scales. Due to the fact that they are younger now, they are willing to place more emphasis on the financial side of the scale. In addition to this there are two other participants: one Eurasian YNM and one New Zealand XAF argue that they do not actually think that one's salary can ever be enough and question whether the scales can ever be balanced. The New Zealand XAF states that an individual only adjusts their lifestyle in accordance to their salary, but do not believe that they would ever reach a point where they will feel like they have enough money. If it

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[42] One Maori-New Zealand YAM, one USA YAM, one New Zealand YNM and one Vietnamese YAF

were possible, then they would sacrifice some financial rewards for quality of life, but she doubts it is possible.

All of the Generation X participants[43] place more emphasis on job fulfillment and satisfaction, although they acknowledge that it has changed over time. They value working for a good company and they care about the company's ethical position and they state they "wont sell their souls" for companies or causes that they do not believe in. They want to feel like they are making a difference in the world or in the organization they work for, where they feel comfortable and valued, but also where they experience a strong team and environment fit. Three Generation Y participants[44] agreed with the Generation X participants and believe that their preferences will change as they mature and gain more experience. They point out that they need time to decide what they want and value in a firm and what they do not, so it is only natural that there will be a change from a graduate phases to an experience employee. One New Zealand YAF feels that people today teach the youth that talk about salaries or financial rewards is not appropriate and therefore, although she prefers financial rewards, she was taught to pretend like it does not matter. One Generation X participant, a New Zealand XAF mentioned that because graduates enter the workforce and would like a good salary they are usually willing to put up with some dissatisfaction now to achieve satisfaction later on.

Table 5.15: Differentiating factors found

	Discussion 1	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	N	Y	N
	Occupational	N	Y	N
	Work values	Y	N	N
	Phase of career	Y	Y	N

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[43] One New Zealand XAF, one South African XAF, one South African XAM, one New Zealand XAM and one Australian XAF

[44] One Hispanic YAM, one New Zealand YAM and one New Zealand YNM

Discussion 2: "As you are expected to value job enrichment and fulfillment, the most effective incentive and reward schemes will be those that focus on feelings, empowerment, engagement and development for the future. It does not suggest you want a bad or low salary – but instead of an incremental pay scheme, you would like a scheme that balances the financial and non-financial incentives and rewards"

This statement is an extension of the previous question and as expected based on the previous opinions, 22.8% of the participants[45] disagreed with this statement while 77.2%[46] agreed. A Vietnamese YAF states that a combined scheme is not only good for the employee but is also beneficial to the employer and therefore believes that it shouldn't be a choice, but the only scheme that is available. A Hispanic YAM mentioned that, future opportunities (non-financial scheme) such as promotions has changed a lot in the last couple of years. He points out that today's employees do not use or rely on the promotional ladder their parents did (Generation X and the Baby Boomer Generation). They do not stay at one firm for a number of years and tick the correct boxes in order to receive a promotion and move up a step on the ladder. He believes that today, employees jump from one firm to the next one, ensuring that each jump is one step higher from the previous. They strategically build themselves up in a more effective manner.

A New Zealand XAF still doubts whether it is possible to receive both financial and non-financial rewards, as she believes there are so little genuine and good employers in the workplace. She states, "They are rare". In contrast, a Japanese-New Zealand YNM mentioned that he highly values work-life balance and therefore a job is more than just a job to him. He realizes that he is likely to spend a third of his life working and states that he would rather enjoy it and believes he can have that through a balanced incentive and reward scheme. A Eurasian YNM has a slightly different view to the previous participant. This participant points out that if he works extremely hard for the next ten to twenty years, he can retire at a younger age. For this reason, he is willing to sacrifice the non-financial rewards in order to receive the financial. If he makes as much money as possible today, he will have more money to spend late in his life when he no longer has to work.

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[45] One Eurasian YNM, one Chinese YNM, one Dutch YAF, one Chinese YAF and one Indian YAM
[46] One British YAM, one New Zealand YAF, four New Zealand YAMs, one South African XAF, one Japanese-New Zealand YNM, two New Zealand YNMs, one USA YAM, one South African XAM, one Maori-New Zealand YAM, one Vietnamese YAF, one New Zealand XAM, one Australian XAF and one New Zealand XAF

Three of the Generation Y participants [47] mentioned that they chose accounting as a career because it enables them to receive a reasonably good salary while opening up many other career options. To them, that is the balance of financial and non-financial incentives, although the future opportunities may not relate to the current firm.

Table 5.16: Differentiating factors found

	Discussion 2	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	N	N	N
	Occupational	N	Y	N
	Work values	Y	Y	Y
	Phase of career	N	N	N

Discussion 3: "Linked to this idea of job fulfillment, you are expected to place a lot of emphasis on the status and reputation of the company you work for. In other words, you want to work for a company that stands for what you believe in and what you can be proud of"

Some of the participant (46%) [48] agreed that the status and reputation of the firm is important to them. They would consider factors such as:

- Whether the firm upholds human rights and treats their employees well [49];
- Whether they can feel proud of the job and company they work for [50];
- Whether they can believe in the cause of the firm [51];
- Whether they steal from the clients or whether they make decisions that are fundamentally against your values [52];

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[47] One New Zealand YAM, one USA YAM and one New Zealand YAF
[48] One Chinese YAF, one British YAM, one Maori-New Zealand YAM, one Australian XAF, one New Zealand YAF, one USA YAM, one South African XAM, one Generation Y South African Accounting Female, one New Zealand YNM, one Japanese-New Zealand YNM and one Eurasian YNM
[49] One Chinese YAF and one British YAM
[50] One Maori-New Zealand YAM and one Australian XAF
[51] One Australian XAF and one Japanese-New Zealand YNM
[52] One New Zealand YAF

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- Whether the firm is known for being unethical and the status of being able to say you work for a particular firm[53];
- Whether the employee's values and culture is respected[54];
- Whether the employee's personal values are aligned with those of the firm's[55];
- Whether the employee's ethical guidelines are aligned with those of the firm's[56].

When the participants were asked whether they place any importance on a firm's Corporate Social Responsibility (CSR) position, most of them[57] mentioned that it is of little if any, importance. When it comes to reputation, Generation Y participants[58] do not care about the reputation and status of the firm unless they have heard bad things. In other words, good comments or no comments are not relevant to their decision to stay or join a firm, but bad news and comments are. Yet another set of participants[59] mentioned that both status and reputation is very important to them as well as the company's CSR position. One of these participants, a New Zealand YAM explained that for him the point of difference between accounting firms in New Zealand was their culture, their relationship with current and previous clients, how they treat their staff, their interaction with clients, alignment of values and ethos, interaction in the public domain, court proceedings as well as word of mouth comments. A South African XAM agreed and mentioned that he would not be able to live with himself if he was working for a company if he knows they are being dishonest or abusive towards its clients or employees.

It was mentioned that regardless of whether or not an employee places any emphasis or importance on a firm's CSR position or reputation, most of the time you only truly see it after you start working there. A few other participants[60] pointed out that in some cases people might need a job so desperately that they are willing to sacrifice their beliefs and values in order to get a

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[53] One USA YAM
[54] One South African XAF
[55] One New Zealand YNM
[56] One Eurasian YNM
[57] Two Indian YAMs, one Dutch YAF, one Chinese YAF, one New Zealand YAF, one Japanese-New Zealand YNM, one Hispanic YAM, one Vietnamese YAF, one Eurasian YNM, one Maori-New Zealand YAM, one USA YAM, one British YAM, three New Zealand YAMs, two New Zealand YNMs and one Chinese YNM
[58] Two New Zealand YAMs, one New Zealand YNM and one New Zealand YAF
[59] One New Zealand YAM, one South African XAM and one New Zealand XAM
[60] One Hispanic YAM, one South African XAF, one New Zealand XAF, one Australian XAF, one New Zealand YNM and one Japanese-New Zealand YNM

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job. The accounting participants explained that as an accounting graduate, you are required to get work experience in order to complete your qualification as a Chartered Accountant, and in this case people might take it wherever they can get it. Others mentioned that if they needed to pay bills or have children they need to support, they will take any job. In these situations, they understand and state that the reputation, status, ethical values or CSR position would not matter, although under different circumstances, it usually would.

A few participants[61] were asked a question which was not initially part of the questionnaire as their groups were small and were used to gather more in-depth information than would be able to in a smaller group. They were asked to choose between firms; one firm that has great CSR and a good reputation but offers a very low salary while another firm offers a great salary, but has a bad reputation and has no CSR position. Three of those participants chose to go with the firm that has a better salary as they argue they can donate and volunteer in their own time and with their own personal funds if they feel it is important to them. One New Zealand YAM states that he can help the firm improve its position and reputation once he works there. The two mentioned that they would consider the reputation if the salary was still relatively good. One of the participants, a Chinese YNM chose the higher salary and mentioned that the choice is not difficult at all. He believes that the CSR position and reputation is the responsibility of the manager and not his. His responsibility is to himself and his family, and therefore the salary is his priority. Although this example was supposed to be hypothetical and extreme, one New Zealand XAF mentioned that it is not extreme, especially for people in Wellington (New Zealand). She states that people in Wellington make this choice on a daily basis as they decide whether to join the private or public sector, both, which are relatively big in Wellington.

A New Zealand XAM believes that volunteering and CSR opportunities can be industry dependent. This participant with experience in the New Zealand banking industry believed that volunteering in general is great, but it does not have a place in the workplace. He has seen volunteer opportunities create resentment in the office as only certain employees are given the opportunity while others are left to continue with their work. Another participant, an Indian YAM argues that the importance of status and reputation can also depend on different cultures and personality traits. A socially active and kind person might be more inclined to volunteer, but a

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[61] One New Zealand YAF, one New Zealand XAM, one New Zealand YNM, one Australian XAF and one New Zealand YAM

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shy or reserved persona may not enjoy it. It does not mean he does not value it or attach any importance to it, but he is not comfortable with the idea. Another Indian YAM mentioned that in certain cultures or countries it will be more important than in others, e.g. in India, your work status is very important. Another New Zealand YNM believes his upbringing and personal values has affected his preference for value alignment and thus he cannot work for a company that is unethical.

Table 5.17: Differentiating factors found

	Discussion 3	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	N	Y	N
	Occupational	N	Y	N
	Work values	Y	Y	Y
	Phase of career	N	N	N

Discussion 4: "CSR is important to you as well as volunteering. You are also more attracted to social enterprises than to corporate enterprises"

Some of the participants (42%)[62] expressed their doubts about believing CSR publicized news by companies. They mentioned that in some cases CSR strategies and news are used for marketing purposes and used to cover up mistakes made or bad activities or to promote their brand. One Indian YAM participant mentioned that the CSR position of a firm does not play a role in attracting him as an employee, but would play a role in his retention. All the participants agreed with this point. One Hispanic YAM mentioned it is the fact that companies do market it, which makes it unrealistic and unbelievable. An Indian YAM agree with this point and also suggested, that the fact that companies verify this information themselves makes it even less believable and more of a strategy to create a 'clean or good image'. These two participants point out that if you heard news or comments about a company's CSR activities from a friend within the firm or

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[62] One Dutch YAF, two New Zealand YAMs, one Hispanic YAM, one Maori-New Zealand YAM, one Indian YAM, one New Zealand XAM, one New Zealand XAF, one New Zealand YNM and one Japanese-New Zealand YNM

external source or even independent verifiers, then the information would have more of an impact.

A South African XAF also believes that the importance of CSR will depend on the country in which the company is operating as well. In South Africa, for example, the law requires CSR reports, but in New Zealand it is voluntary and therefore in many cases you only get a clear and true picture of their CSR position and culture, once you join the company. Another South African XAM also points out that for some people, CSR and volunteering can have a religious connotation (as it does for him).

Table 5.18: Differentiating factors found

	Discussion 4	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	Y	N	N
	Occupational	N	N	N
	Work values	Y	Y	Y
	Phase of career	N	N	N

Discussion 5: "You are seen as a digitally comfortable generation which means that you are very comfortable and at ease with technology. This has an impact on the way in which you learn, receive mentoring, and go about your everyday work"

Most of the participants[63], 58% of them believe that technology has made the accounting, business and entire world more efficient, better and effective. The uses of databases in accounting firm allows for accurate results and are very resourceful, which allows for more efficient work. It gives users confidence in their work and is a crucial tool for data analysis and communication and operation of international businesses. A reasonable amount of participants[64] (33%) feel that

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[63] Two Indian YAMs, one Chinese YAF, one New Zealand YAM, one Dutch YAF, two New Zealand YNMs, one Chinese YNM, one South African XAF, one New Zealand XAF, one South African XAM, one Eurasian YNM, one Japanese-New Zealand YNM and one Vietnamese YAF

[64] One New Zealand YAM, one Dutch YAF, one Hispanic YAM, one Maori-New Zealand YAM, one New Zealand XAM, one Australian XAF, one Japanese-New Zealand YNM and one New Zealand YNM

just because they are comfortable with technology and use it on a daily basis, it does not necessarily mean that they are reliant on it. A Japanese-New Zealand YNM mentions that it is not reliance on technology, but rather utilization that is the key understanding. A Hispanic YAM and a New Zealand YNM, also feel that if technology is available then they should use it, but if it is not available, they are confident they can find alternative ways to deal with the problem or task. All the participants agreed that they enjoy it and to some extent need it, but they also mention that if all technology were to disappear tomorrow, they would be able to survive without it. One Japanese-New Zealand YNM and one New Zealand YNM point out that it would be fair to say they are too reliant or over-reliant on technology if it were to disappear tomorrow, but when is the internet going to disappear any time soon? There are some participants[65], around 33% that believe some of them may be too reliant on technology in a social sense, but not in the workplace. An Indian YAM, points out that technology evolves and we as humans evolve with it and it is therefore only natural that each generation will be more comfortable with it than the previous.

A Chinese YAF points out that it would depend on the industry that you work in and the work you do. She knows of people who work in the IT industry and they are heavily reliant on technology. The New Zealand XAF and Australian XAF, view technology as a crucial tool in the accounting and even business world. They mention that it goes beyond just having the technology; they want technology that is up to date and fully functional. The New Zealand participant used a simile to explain this concept and stated that "having technology that is up to date and works is like having a good pen" – it makes everything you have to write better. In a way, she states that she feels freed by technology.

A New Zealand YAM feels like his generation is the bridge between old-fashioned learning and new technology while another New Zealand YAM participant feels like he still finds it hard to keep up with new technology and its development. A New Zealand XAM points out that it was his Generation that was the Bridge. He argues that his generation has been in a work situation where everyone has to share one computer in the office now every person has his or her own laptop. He believes that because they have been such an integrated part of technological development; his generation can keep up with new technology, but can also function without it.

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[65] One British YAM, two New Zealand YAMs, one Dutch YAF, one Hispanic YAM, one Eurasian YNM and one Japanese-New Zealand YNM

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Another participant, a South African XAM agrees with the previous participant and mentions that because of their evolution with technology, his generation can see the value and benefit of technology in the workforce and appreciate it.

Table 5.19: Differentiating factors found

	Discussion 5	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	N	N	N
	Occupational	Y	Y	Y
	Work values	Y	Y	Y
	Phase of career	N	N	N

Discussion 6: "You don't care much about building work relationships and do not want to be micro-managed; you have the necessary skills and technology to help if you need it"

In General, 37.5% of the participants[66] disagreed with the statement, and stated that they really value work relationships with their colleagues, but also with their clients. They acknowledge that your relationship with your clients is the only way to ensure repeat customers. One South African XAM and one South African XAF, explain that because they are in auditing roles, they need to build a relationship with their clients in order to get their work done and gather the relevant information as well as gaining their cooperation. Most of the other participants agreed with this point and realize that it is probably applicable to most service industries. A Chinese YAF mentioned that it would depend on the company, industry and company's culture. As explained in the previous statement, in an IT company, it is common for employees not to talk to one another.

The participants were asked whether they prefer to ask around the office when they have a question or problem, or if they prefer to look it up online themselves. They mentioned that there

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[66] Two New Zealand YAMs, one Dutch YAF, one New Zealand XAM, one Japanese-New Zealand YNM, one New Zealand YNM, one South African XAM, one South African XAF and one New Zealand XAF

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are a few factors that needs considering in order to make the decision, The two lists below sum up the considering factors for asking around the office or to use online resources:

Some employees prefer to use online resources:

- In order to avoid looking stupid or to give others doubt that they are unable to do the job;
- As there is a good chance someone else has asked the same question before;
- As they understand that other people are also busy with their own work and probably don't want to be interrupted;
- As some of their managers are intimidating;
- If it is a general and simple question;
- If it is more efficient and simple to;
- In order to allow interaction between colleagues;
- To avoid asking too many unnecessary questions and your colleagues getting frustrated with you; or
- As there is always a risk when asking a human that the information may not be accurate or honest.

Some employees prefer to ask around the office:

- If it is a firm-specific or unique question;
- If it is more efficient and time saving to ask around;
- If you are building networks and work relationships; or
- As there is a content-quality risk with online resources.

Some of the participants mention that in different scenarios they might prefer different methods, but if the Internet is available, they will make use of it.

Table 5.20.2: Differentiating factors found

	Discussion 6	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	N	N	N
	Occupational	N	Y	N
	Work values	Y	Y	Y
	Phase of career	N	N	N

Discussion 7: "You are seen as being too impatient and want it all right now. Not willing to climb the promotional ladder"

This statement does not relate to being impatient in a literal manner, but more impatient with the speed in which you move through different phases of life. One Chinese YNM and one New Zealand YAM agreed that they are impatient with life. Nonetheless, a few others[67] do not agree and state that they are not impatient in this sense at all. One Hispanic YAM argues that it is not fair or correct to say that one generation is more or less impatient than another as each generation lives in different circumstances with its own challenges. Another Maori-New Zealand YAM agrees, but explains that it is not that the generation is impatient, but rather that they want to make use of opportunities available to them.

In relation to the concept and application of the promotional ladder: participants had very different opinions on this matter. An Australian XAF states that she has never and never will stay at one firm for thirty odd years. She understands that in many cases you need to do your time, get a promotion and move on to the next thing; sometimes you may need to climb the promotional ladder but other times the only way to move forward, might be to jump to a different firm. A South African XAM, believes that it is not correct to use firms as stepping-stones to promote yourself and thus he has never, and will never do it. He explains that you will build a good rapport and relationship with the firm and people inside it when you stay for a while and become a stable and consistent employee. He believes that other companies may not hire an employee

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[67] One Japanese-New Zealand YNM, two New Zealand YNMs, one New Zealand XAM and one Australian XAF

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later in life if they doubt the employee lacks the ability to commit. You lose value to them, if they think you will not stick around and won't be willing to invest in you.

An Eurasian YNM feels that Generation Y members are not impatient, but instead has been forced to move faster and work harder due to economic pressures. He points out that although he and his generation may be willing to climb the promotional ladder, they do not have the option to. A South African XAF thinks the promotional ladder has both negative and positive aspects to it. She points out that a firm may look at an individual's Curriculum Vitae and past experiences, and if the individual has been jumping around and skipping steps, they might think the individual is very ambitious and may value a variety of different experiences. Other firms may think that the individual is a 'chaser' and they might not be willing to invest time or money in the employee if he/she is just going to leave after a short period.

Further, one Japanese-New Zealand YNM and one New Zealand YNM, understand and appreciate the promotional ladder. However, they mention that they will use it in the most efficient manner in order to gain experience and skills. They believe that there is value in having a wide variety of experience and that a future employer will appreciate it. Lastly, a New Zealand XAF agrees with all of the above participants that a wide variety of experiences are valuable and more beneficial to her than climbing the promotional ladder. She stated that from personal experience, staying in one firm for longer than a few years is not good for the employee. She does acknowledge that some employers might wonder, "What is wrong with this employee that she cannot keep a job", but believes that it is better to move around. She then also points out that the size of the city and country will play a role in the moving decision as your reputation as a worker will follow you.

Table 5.21: Differentiating factors found

	Discussion 7	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	N	N	N
	Occupational	N	N	N
	Work values	Y	Y	Y
	Phase of career	Y	Y	Y

Discussion 8: "You are seen as narcissistic. There is a fine line between confidence and narcissism and you rely heavily on constant and regular feedback, as well as compliments"

Some of the participants[68] clearly state that they are not narcissistic in any manner while two others[69] state that they personally are not, but know of many people in their generation who are. They personally "Would not crawl over dead bodies to get what they want", but reckon it would depend how career-driven you are. One Indian YAM and one Eurasian YNM point out that narcissistic is a very strong and harsh word and reminds them of Nazism, which makes them feel quite offended.

Two New Zealand YNMs feel like there is a clear line between confidence and narcissism, definitely not a fine line. They state that they are confident and in no way can it be construed as narcissism. A New Zealand YAM argues that narcissism can apply to any member of any generation, as there are many people in the world who are self-interested. A Dutch YAF mentioned that she believes narcissism is just misunderstood and can be avoided by good communication in the workplace and the wider world.

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[68] One New Zealand XAM, one New Zealand YNM and one Chinese YNM
[69] One South African XAF and one New Zealand XAF

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Most of the participants[70] agreed that they do require constant and regular feedback, but some of these participants pointed out some key points or rules when giving feedback:

- Feedback is very important during the introduction or initial phase when entering a new firm or job role. It is also important for managers to realize that no feedback is a form of feedback and could send out the wrong message[71];

- Feedback has different impacts depending on who delivers it. If feedback comes from someone who has experience and respect, then the feedback will be taken, but if the person giving the feedback has no experience or little knowledge, then the feedback is unnecessary and not effective[72];

- Feedback needs to be given during the year and not withheld until the year-end review as it may affect the employees future salary increases or job opportunities[73];

- Feedback needs to be instant and time-relevant[74];

- Feedback is important to give the employee confidence, peace of mind and to alert the employee that he/she is on the right track[75];

- Feedback is important to correct mistakes or bad habits in order to become more efficient and competitive[76];

- Feedback needs to be regular and adjusted to fit the employee's experience level and age. Managers should avoid overwhelming employees by giving unnecessary or overly sophisticated feedback[77]; and

- Feedback needs to be constructive and not destructive[78].

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[70] One British YAM, one New Zealand YAM, one Chinese YNM, one New Zealand XAM, one Japanese-New Zealand YNM and one New Zealand YNM
[71] One Indian YAM
[72] One Indian YAM and one Hispanic YAM
[73] One New Zealand YAM
[74] One New Zealand YAM
[75] One New Zealand YNM and one Maori-New Zealand YAM
[76] One Chinese YNM
[77] One Vietnamese YAF
[78] One New Zealand YNM and one Japanese-New Zealand YNM

Table 5.22: Differentiating factors found

	Discussion 8	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	N	N	N
	Occupational	N	N	N
	Work values	Y	Y	Y
	Phase of career	N	Y	N

Discussion 9: "A job is a manner or route in which we explore our passions, interests, hobbies and philosophies and not only a means to pay the rent"

This statement was intended to bring together all the other sections of the questionnaires. As mentioned some of the participants[79] do not necessarily feel passionate and defined by doing accounting or being accountants, but they know that it is a good starting point for a successful career and making good money. They acknowledge that as they get older it will probably change, but right now, they would much rather focus on a job that will get them a good salary.

Some of the other participants[80] strongly agree with this statement, as they believe that they are fortunate enough to be able to pursue their interests and passions. The Generation X participants feel they are in a position where they are able to appreciate their job as more than a job, because they have done their hard years and earned it. There are a few participants that have quite a different view on this statement:

    I.   One Chinese YNM believes that all employees should define themselves by their jobs, as they will be doing it for most of their lives. Eventually it will become your hobby and main interest.

    II.   One Chinese YAF mentions that she does not care about it, because in the end she needs the money and she will do whatever it takes to make good money, even if she

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[79] Three New Zealand YAMs, one Dutch YAF, one British YAM, one New Zealand YAF and one USA YAM

[80] One Eurasian YNM, one New Zealand XAF, one South African XAM, one South African XAF, one Japanese-New Zealand YNM and one New Zealand YNM

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doesn't love her job. She asked the following question: "Why do you think all Asian students study business or law?" To her, this opinion is a cultural factor.

III. One New Zealand YAM feels that he will change his mind set in a job if he does not have a choice in relation to his job.

Overall, all participants would like to be able to pursue their dreams, interests, passions and hobbies, but know that is not always possible and therefore they will take the financial rewards and worry about the satisfaction later on.

Table 5.23: Differentiating factors found

	Discussion 9	Gen X (Accy)	Gen Y (Accy)	Gen Y (Non-accy)
Differentiating factors	Gender	N	N	N
	Culture	N	N	N
	Occupational	N	Y	N
	Work values	Y	Y	Y
	Phase of career	Y	Y	Y

5.3. Chapter summary

This chapter presented the findings of the research in the format of the questionnaire used. Part I presented the opinions and feelings of participants on both quotes from mangers about managing Generation Y employees and quotes form Generation Y employees themselves. Part II represented the in-depth discussion questions and t=he participant's responses in relation to each. The following chapter discusses the main themes that were drawn from the results, addresses the research questions and outlines the research limitations and future research opportunities.

Chapter 6: Discussion and conclusion

6.1. Introduction

The workforce today has many challenges, and amongst them is the problem of employee recruitment and retention. It is suggested this problem is a result of the generational gap in the workforce (Westerman &Yamamura, 2007). Different generational members potentially have different preferences and characteristics that influence their job satisfaction, motivation, productivity and performance (Smola & Sutton, 2002; Westerman & Yamamura, 2007; Parry & Urwin, 2011; Neal, 2014; Nelson, 2007). There are also other factors that are within a generation that can influence employee behavior such as their culture, age, gender, background and occupational choice. The research assesses the validity of Generation Y employees' perceived generic characteristics and identifies what other factors they are driven by, before determining how the most effective incentive and reward schemes for Generation Y can be tailored. This final chapter outlines the main findings in relation to the research questions, compares them to prior research and examines its contribution to practice and theory. The chapter concludes by outlining limitations of the research as well as opportunities for future research.

6.2. Are there generational differences in the workplace?

Research question 1 examines whether there are generational differences between Generation X and Generation Y, determines whether the perceived Generation Y characteristics correspond with the generic characteristics presented in the literature and indicates what impact these have on the workplace. Research question 1 is as follows:

> *Do Generation Y employees in the workplace have different generational characteristics to what they are expected to have and in comparison to other generations, and if so, in what way do they impact on the workplace?*

It has been suggested that each different generation has its own set of values and attitudes and as a result, members develop a personality or generational characteristic (Parry & Urwin, 2011;

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Kupperschmidt, 2000). In order to address research question 1, the study has to determine whether the characteristics of Generation Y members correspond with the generic characteristics given in the literature. Table 6.1 and 6.2 highlight the expected versus actual Generation Y characteristics and illustrates the fact that most of the expected characteristics were not found in this study. The yellow areas indicate the characteristics that were found to support prior literature[81] and the green areas indicate the non-supporting characteristics.

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[81] If more than 65% of participants disagree with an expected characteristic, the literature and characteristic is not supported by this study. If less than 65% of the participants disagree with an expected characteristic, this study is in support of the existing literature and expected characteristic (vice versa in relation to disagreement).

Table 6.1: Expected and actual Generation Y characteristics (Quotes)

Expected generic Generation Y characteristic	Actual Generation Y	
- Manager's perception of Generation Y employees	Agree	Disagree
Do not care about customers	0%	100%
Will quit when they are corrected	0%	100%
Think there is always an excuse that they can make up for being late	23.53%	76.47%
Want a trophy just for showing up	0%	100%
Yelling and screaming is the only thing they understand	0%	100%
Pick up computer and cash register skills quickly, but if it breaks they cannot count back change from a $10 bill	0%	100%
Will ask for an extended lunch hour to go shopping with friends on their third day of the job	0%	100%
Assume it is ok to call their bosses by their first name like they are friends, they are your boss	56.25%	43.75%
Anything extra nice you do for them, they act as if you owed it to them	0%	100%
Expected generic Generation Y characteristic	Actual Generation Y	
- Generation Y employee's perception of themselves	Agree	Disagree
Defined by their job	80%	20%
Want to have a say about when they work	75%	25%
Want to have a say about how they do their work	100%	0%
Do not expect you to be their best friend, but when you evaluate and critique them, they want you to do it in a friendly way (just like their parents did)	60%	40%
Want you to give them direction and then get out of their way	60%	40%

[82]*Table 6.2: Expected and actual Generation Y characteristics (Discussion)*

Expected generic Generation Y characteristic	Actual Generation Y	
- **Based on prior research**	**Agree**	**Disagree**
More concerned with non-financial rewards than financial rewards	100%	0%
Prefer a schemes with both financial and non-financial rewards, instead of one or the other	100%	0%
Place a lot of emphasis on the status and reputation of the organization	80%	20%
CSR is important	20%	80%
Digitally comfortable	80%	20%
Do not care about building work relationships	31.58%	68.42%
Are impatient and not willing to climb the promotional ladder	40%	60%
Narcissistic	0%	100%
Rely on constant and regular feedback	40%	60%

It is clear that the participants disagreed with more of the expected Generation Y characteristics than they agreed with them. Generation Y employees are expected to seek purposeful and meaningful work according to Neal (2014) and this study supports this notion. However, the employees are willing to sacrifice this work value for higher financial rewards in organizations. According to Nelson (2007) these employees are impatient and not willing to climb the promotional ladder over a long period of time. The participants in this study agree, and point out that they are not interested in organizations that expect them to work there for a few years before allowing them promotional opportunities. Instead, they are systematically jumping between organizations, gaining skills and experiences while moving up the ladder faster. These employees also do not want to commit to one single organization for more than a couple of years and as

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[82] If more than 65% of participants agree with an expected characteristic, this study is in support of the existing literature and expected characteristic. If less than 65% of the participants agree with an expected characteristic, then the literature and characteristics is not supported by this study.

such, supports Martin's (2005) suggestion that these employees do not commit for longer than three years.

Other characteristics that support prior literature include: these employees are techno savvy (Martin, 2005; Westerman & Yamamura, 2007); they appreciate managerial support and direction, but enjoy freedom, autonomy and independence (Martin, 2005; Nelson, 2007); they dislike micro-managing (Martin, 2005); and also they expect regular feedback (Martin, 2005). Some interesting characteristics that were identified, which are in contrast to what is believed by literature includes; firstly, these employees do have the intention of making a big amount of money, but they do not expect to achieve the ideal career and lifestyle at the same time. They do not believe that it is possible to have both, high salaries and an ideal career and lifestyle (Martin, 2005). Secondly, these employees are willing to sacrifice their ability to enjoy life and relationships with friends in order to gain higher financial rewards or promotional opportunities, contrary to previous research (Nelson, 2007). Lastly, these Generation Y employees do crave high salaries, as mentioned, but do not expect flexible work arrangements (Smola & Sutton, 2002).

Therefore, not all the expected Generation Y characteristics apply to all Generation Y members. This result raises the question as to whether this is due to other differentiating factors over and above the Generation Y ones having an influence on employee differences. In order to determine whether these differences are generational or personal, Generation X members are assessed against the same criteria. Table 6.3 and 6.4 illustrate the Generation X and Y participant's feelings and opinions on the same discussion and quotes, in order to determine whether there are generational differences between Generation X and Y employees. The yellow areas indicate that generational differences were identified, while the green areas show no generational differences.

There are 14 expected Generation Y characteristics. When comparing Generation X and Y participant's feelings and opinions on the same discussion and quotes, in order to determine whether there are generational differences between Generation X and Y employees, out of the 14 only 3 show some indication of generational differences that may exist. These three are: firstly, that they assume it is ok to call their bosses by their first name like they are friends, they are your boss; secondly, they do not expect you to be their best friend, but when you evaluate or critique the, they want you to do it in a friendly way (just like their parents did); and lastly, that Generation Y want you to give them direction and then get out of their way. Out of the 9

discussion questions, 2 indicated some generational differences. Generation Y employees are less concerned with non-financial rewards than financial rewards and CSR is less important to these employees.

These results suggest, that it is improbably that the preferences and characteristics highlighted in the literature have a generational origin. The literature suggests that as members from the same generation share birth years, event and experiences, they develop a personality or generational characteristic that is unique to their generation. If in fact this is supported, there should be more differences between Generation X and Y participant's feelings and preferences, however more similarities are identified (20 out of 25). According to Nelson (2007) and Westerman and Yamamura (2007), Generation X employees are loyal to themselves first and are not willing to stay at an organization for more than a couple of years. This seems to be probable for the Generation Y employees in the study as well. Generation X employees also seek meaningful and purposeful work (Nelson, 2007) which is a characteristic Generation Y employees have as well. There are also some differences, for example, Generation X employees prefer non-financial rewards to financial rewards and as a result they value CSR more than Generation Y employees. However, this could also be related to their career paths.

There is thus little evidence that supports the prior research suggestion that, the differences in preferences of Generation X and Y employees are generational in origin. Instead it will argue that there are other differentiating factors that may drive within generation employee differences and preferences such as culture, phase of career and occupation. Research question 2 explores this suggestion.

6.3. Differentiating factors within generations

Research question 2 investigates the differentiating factors within generations that potentially drive employee differences in the workplace (Parry & Urwin, 2011). Generational characteristics investigated in section 6.2 are generalizations and individual differences within generations may exist (Kupperschmidt, 2000). Research questions explores this aspect and is as follows:

Are there other factors besides generational characteristics that differentiate employees in the workplace, and if so, what are these factors?

There were four key differentiating factors identified in this study namely: culture, phase of career, work values and occupation. Each one of these factors is discussed below, with the next section examining the cultural differentiating factor in relation to the employee [83] characteristics, identified in section 6.2.

6.3.1. Cultural differentiating factor

There were many significant and interesting points highlighted, that suggest that many employee differences and inclinations, in relation to reward preferences, are driven by the culture of that employee. For example, in some Asian cultures, especially Indian and Chinese cultures, it is common practice and expected of each child to look after and financially support their parents when they are able to. As a result many Asian employees take jobs where they may have no interest in it in order to receive a reasonable salary to support family members. These employees feel that they cannot be defined by their jobs, as they do not have the luxury of occupational choice (Q10). As a result, many Asian employees prefer financial rewards to financial rewards in the workplace due to their responsibilities and obligations (D1).

There are also a few cultural factors that drive employee behavior in the workplace. For example, in New Zealand there is a common misperception among employees that making a mistake is a bad thing, while in reality; it enables learning and growing (Q2). However, it does depend on the manner in which the mistake is addressed and the feedback received from managers. In many Asian cultures, especially China, it is common for managers or superior colleagues to yell at lower level employees as it shows their authority and reinforce the power relationship, but it is not common in New Zealand work environments as the power relationships are not as strong (Q5). In other Asian countries, such as Japan and Malaysia it is uncommon for this behavior to occur in the workplace as these people have no harsh words for each other and are very harmonious people (Q13).

In the New Zealand workplace, it is acceptable practice for employees to refer to their superiors or employers by their first name as it creates a friendly and equal environment. In other cultures such as South African and Japanese (and possibly other Asian cultures) it is a sign of disrespect to refer to a superior by their first name, however it is different in a corporate environment. First

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[83] For the purpose section 6.3, 'Q' denotes quote section of the characteristics and 'D' denotes the discussion section for reference purposes

name is the norm in a business environment and therefore some employees may find it difficult to adapt to, as it is against their cultural beliefs and practice (Q8).

When it comes to the employee's preferences in terms of freedom in the workplace to work when they want and how they want, there is a clear cultural factor that comes into play. In China, employees do not have the option of flexible work hours as they may have in western countries, and thus employees work the necessary hours in order to keep their jobs. Employees in China are reminded that they are replaceable, and therefore they ask for little in terms of flexibility (Q11). Employers in China also emphasize efficiency in all organizations and industries and as a result, employees have little say in terms of' how they want to do their jobs'. They are expected to do it the same way everyone else is, which is considered the fastest and most efficient way (Q12).

Lastly, in terms of the cultural differentiating factor, is its influence on how important status, reputation and the CSR position of an organization is to the employee. In Indian culture, the status and reputation of the employee is very valuable and people are judged on this aspect (D3). In China, an employee's satisfaction with their job and life is determined based on their salary and the status of the organization they work for. In terms of CSR, South African employees notice the CSR reports and organizational efforts, but mentioned that it is because it its compulsory. In New Zealand, it is voluntary and therefore, it may not always have the effect employees expect (D4).

This study supports previous studies done where culture was identified as a differentiating factor. Lipmann (2008) suggests that ethic differences exist between employees within generations and Eskilson and Wiley (1999) suggest race differences occur between Generation X members. Within generational differences between Western and Taiwanese cultures were identified by Hui-Chun (2003). The culture of an employee can potentially have significant and important influences on an employee's preferences and behavior and in the workplace. The second differentiating factor that was identified is a work place value factor.

6.3.2. Workplace value differentiating factor

Many of the participants disagreed with the various areas and statements as they have different values, believes and feel passionately about different things. These values came through strongly in a number of areas. For example, most of the participants point out that they value feedback, evaluation and criticism and it plays an important role in keeping employees on track and giving them confidence and peace of mind (D8). The delivery of the message is of great importance, therefore needs to be fair, professional and constructive and as long as these criteria are met, the feedback will be taken with a positive attitude (Q2). The same goes for receiving praise; it has to be earned and justified otherwise it loses its value (Q4). Yelling and screaming in a workplace is not acceptable and does not allow the employee to feel comfortable and be productive. In some workplaces there is a code of conduct, which prohibits this, although employees believe it is still common in business environments (Q5). These employees do not expect to be best friends with their employers, but they do expect and desire a strong professional relationship (Q13).

Workplace values and preferences of employees also influence employee behavior in a number of different ways. Firstly, employees understand how important customers and colleagues are in the workplace and therefore they aim to treat their clients and colleagues properly and fair. They acknowledge that without either, the operations of an organization will undoubtedly suffer and therefore the success of the organization (Q1 & D6). Employee do enjoy interacting with colleagues and building work relationships, but are careful not to interrupt others work and illustrate their competency, independence and trustworthiness, by using online resources to address problems and bring creativity to the workplace (D6 & Q6). Technology has become a vital element in all businesses and should be used effectively. Secondly, employees are very thankful and appreciative for all and any kind gestures made in the workplace (Q9) and although they refer to their employers by first name (which may be considered disrespectful in some cultures), they are respectful towards their employers and senior colleagues (Q8).

Thirdly, employees distinguish between reasons for being late and excuses for being late and understand that some circumstances may be outside ones control, and thus there are reasons for running late, but not consistently. Some employees would like some flexibility around lunch hours, starting and finishing times in order to allow for important appointments, interests outside work, family commitments and to avoid running late in some situations (Q7). Not only will it prevent 'running late' but these employees argue that in some cases, their work quality is higher

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when they work on their own time schedule, although they acknowledge this is not always possible (Q11). Fourthly, employees enjoy flexibility around 'how' they do their jobs and dislike any micro-management at all levels. These employees can take direction and suggestions, but enjoy having autonomy, freedom and flexibility while knowing that managerial support is available if they need it. They argue they are hired based on their skills, capabilities and experience and should be allowed to express these skills the way they best see fit (Q12 & Q14).

Furthermore, employees want to work for an organization that looks after its clients and employees and are ethical and honest. Some employees also feel that caring for the environment and an organization's CSR position is important as well (D3). Although employees value and see the importance of CSR, they argue it has no affect on their recruitment process and little on an employee's retention and motivation (D4). Lastly, employees enjoy having a wide variety of experiences and enjoy moving between firms to gain a greater level of expertise. It is not that they are not committed to organizations, but want to gain a great deal of knowledge and experience in the most effective way (D2 & D7).

This study suggests that work values of employees can differ within generations and can have an impact on employee's values, preferences and behavior in the workplace. This study is supported by prior literature. For example, Murphy, Gordon and Anderson (2004) examined cross-cultural age and generational differences in work values between the USA and Japan and suggest some differences between employees within generations. Parker and Chusmir (1990) and Parry and Urwin (2011) also suggest that there are work value differences between employees within generations. Whiteoak, Crawford and Mapstone (2006) identified value differences within a generation and found that some values and attitudes change and others do not. Work values and individual preferences of employees may exist within generations and can potentially have an influence on employees. Certain preferences and attitudes may change, as supported by Whiteoak, Crawford and Mapstone (2006) argue there are certain preferences and attitudes that change, and as a result the third differentiating factor relates to the phase of an employee's career they are in.

6.3.3. Phase of an employee's career

The preferences and values of employees change as they become more mature and gain more experience and as a result, their behavior and preferences in the workplace changes to reflect this growth. For example, in entry-level roles or during the initial phase in a job, feedback and critique is very important in order for the employee to learn and grow (Q2 &D8). Direction is needed and is appreciated when joining a new firm or the workforce for the first time as this sets the groundwork for their entire career (Q14). As employees become more experienced in their jobs, they require less direction, feedback and management and work themselves towards becoming senior employees and gaining many opportunities for flexibilities and freedom (Q14). It should be pointed out that all employee dislike micro-management regardless of their level of experience and skills (Q14). Employees may enjoy the idea of having flexibility around lunch hours, start and finish times, how they do their jobs and much more, but this right needs to be worked for and earned. As a result, these opportunities are generally reserved for senior employees (Q7 & Q11).

In terms of the reward preferences that employees prefer, it appears to change as an employee move onto a different career phase (refer to figure 5.15). Financial rewards are preferred by some of the employees; those who enter the workforce for the first time as inexperienced employees as they are ready to start building a life for themselves. Other first-time employees prefer non-financial rewards as they argue it will allow them to demand a higher salary later on in their careers as they gain valuable skills and experiences (D1).

As employee retention is a problem in today's workplace, employees are no longer willing to climb the promotional ladder. They are systematically and more effectively climbing the ladder faster by moving organizations in order to gain skills and experiences, which will open up new challenges and opportunities for them. Staying at one firm for many years is no longer the only way to move ahead in the workplace; they are jumping from one firm to the next, ensuring that each jump secures them a higher position than the last firm.

Smola and Sutton (2002) found that work values, attitudes and job satisfaction will change as an employee pass through different phases of their career and is not driven by generational factors. Parry and Urwin (2011) also found that personality characteristics stay the same, but employees change what they want from their jobs over time. As they progress from pre-graduate to career positions, mix family and career interests and move on to retirement, their phase of life and

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career that they are in will have an impact on their job performance and satisfaction. Sessa, Kabacoff, Deal and Bown (2007) also suggest that leadership values and behavior differences between employees within generations can drive employee workplace differences. The last differentiating factor identified is an occupational factor, which is discussed below.

6.3.4. Occupational differentiating factor

The occupational differentiating factor was identified in the study, and highlights how different employees have different values and preferences in the workforce, depending on their occupation.

Employee behavior in accounting firms differs from employee behavior in other occupations and industries. For example, in accounting firms, being late is not acceptable or tolerable, although some employees believe it is changing to make allowances for occasionally running late (Q3). It is also believed that it is common practice in accounting firms to be yelled at and to receive harsh comments from supervisors, however employees would appreciate a more professional and less harsh approach (Q5). Another normality in accounting firms are the way in which senior colleagues and employers are addressed by their younger or lower level employees. It is common to address them by their first name as it creates an equal and friendly environment (D8), although some employees feel a little uncomfortable doing so (as its also a cultural factor).

In terms of employee relationships in the accounting industry, it appears to differ from work relationships in other industries. For example, an employee in an accounting firm needs to create business and work relationships in order to be successful, while employees in IT firms do not need to build networks and relationships as they have minimal customer face-to-face interaction (D6). The role of technology in accounting firms and the business industry has evolved in recent year and the employees feel that it is a crucial tool in accounting, especially for data analysis and effective communication (D5). These employees do not feel reliant on the technology, but believe that it enables better and more effective work in the workplace (Q6).

Employees in the accounting industry wish they had more flexibility in their roles, but due to the nature of the work in accounting firms, it is not possible to allow all employees flexibility in terms of work schedules (Q11). Flexibility in terms of deciding 'how each employee would like to do their work' is not possible either due to nature of the work and processes involved.

Consequently, this non-financial reward option is not possible and does not fit into accounting firms (Q12). It must be acknowledge that mistakes made in accounting firms can, in many cases, have significant financial consequences. That is why there are certain set methods, policies and procedures and critique and evaluation can on occasions be harsh and blunt, but it is to prevent such mistakes (Q13).

Employees in accounting firms also have specific reward preferences. These employees prefer financial rewards above non-financial, as their roles are both physically and mentally demanding. They are often required to work very long hours for weeks on end and they also mention that they chose accounting as an occupation as they know they have the potential to demand high salaries later in their career (D2). It is then no surprise that the status and reputation of a firm is important to employees, but in certain industries such as accounting, employees may not always have the option early in their careers. Accounting students may need to work for firms that they do not necessarily agree with, but need in order to gain experience in order to move on to a new phase in their career.

Broadbridge, Maxwell and Ogden (2007) suggest that retail sector employees (graduates) have similar characteristics to the generic generational literate, but this study does not support this research. This study found that all accounting employees (graduates and experienced employees) portray contrasting characteristics to what they are expected to have based on prior literature. Vroom (1964, 2007) point out that there is relationship between the occupation an employee chooses, the satisfaction they derive from the work and the quality of the work performance. The results of this research support the idea that the occupation or industry an employee is involved in potentially affects their preferences, values and behavior in the workplace.

A differentiating factor (section 2.2.4) that has been identified by prior research was not found to exist in this study; the factor is gender (Lipmann, 2008; Parker & Chusmir, 1990). A differentiating factor that was not found by prior research (Huichun, 2003), and neither in this study, is educational.

## 6.4 Most effective incentive and reward schemes for Generation Y members in accounting firms

Based on the above-mentioned generational characteristics and differences, as well as the differentiating factors it is clear that there is not one set of characteristics and thus, a single

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incentive and reward scheme that will fit all employees from all cultures and occupations. Research question 3 is as follows:

What are the most effective types of incentive and reward schemes for Generation Y members in an accounting firm, and why?

This research suggests that the most effective incentive and reward schemes should be designed based on differentiating factors instead of generational characteristics as this research found that the differentiating factors were more prominent than generational and influence employee's behavior and preferences more than generational characteristics. According to Vroom's Expectancy Theory the most effective incentive and reward schemes should influence an employee's productivity, satisfaction and performance. Therefore a thorough understanding of the factors that influence an employee is crucial as per the diagram below.

Figure 6.1: Research conceptual framework (as per chapter 3)
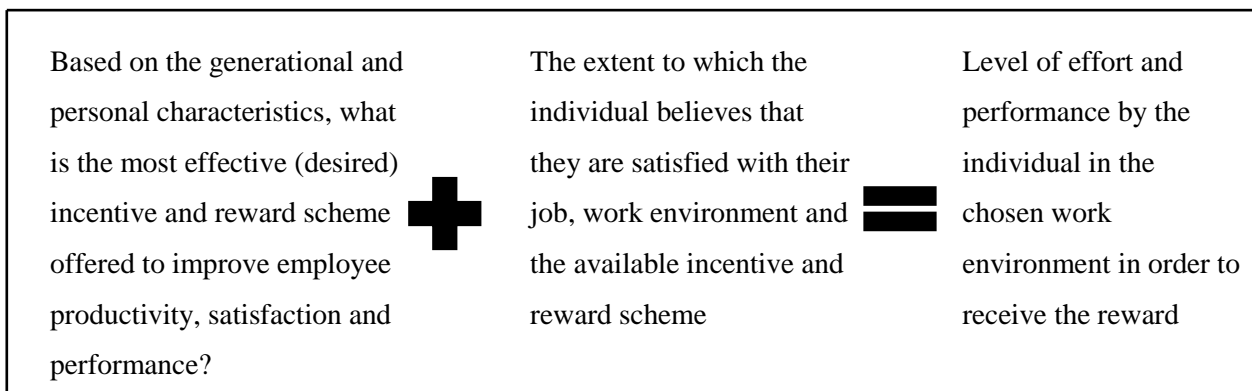
A thorough understanding of the generational and personal characteristics of an employee, their preferences, the expectancy of attaining the desired reward and the most desired scheme is of great importance in order to ensure an employee's job satisfaction, productivity and high performance. The most effective scheme needs to take into consideration some of these differentiating factors, however it is not always possible to incorporate all of them. This research suggests that a 'Pyramid Model' for designing these schemes should be used. Figure 6.2 illustrates the conceptual model, while the next section discusses the model.

Figure 6.2. Pyramid incentive and reward scheme model
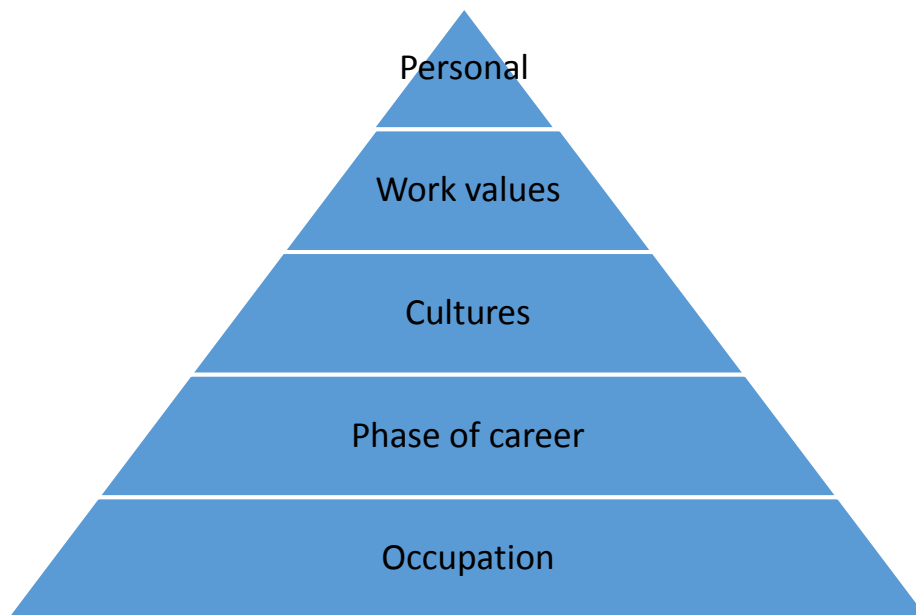
Pyramid incentive and reward scheme for Generation Y employees in accounting firms

This research argues that the occupational differentiating factors should be the starting point for the design of any incentive and reward scheme. Therefore in an accounting firm, the scheme will be different than in other occupations. Some factors to consider, but not limited to, are:

    i.   Due to the nature of the work it is difficult to arrange flexible work arrangements or schedules such as starting hours, finishing hours and days worked;

    ii.   Mistakes, regardless of size, can result in major consequences for the firm overall;

    iii.   Works processes are unique to each firm and can be very complex; therefore in many situations there will be only one way to do a particular task which will not always agree with every employee; and

    iv.   Constant and regular feedback is essential to ensure all employees are on the correct track and that all operations and processes are running smoothly.

Once the incentive scheme options are tailored to the specific occupation, the next set of differentiating factors that can be considered is what phase of career the employee is in. An inexperienced employee will generally have a preference for non-financial rewards (training,

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self-development and promotion opportunities) versus a more experienced employee who will have a higher preference for financial rewards (bonuses, pay rise) having already gone through substantial amounts of training and development. On the basis of occupation and phase of career being the more general building blocks of the incentive and reward scheme it logically follows, that culture and work values must be addressed only after addressing the previous two differentiating factors. Lastly, any and all other personal preferences of individual employees can then be used to further personalize and tailor incentive and rewards schemes to each individual.

As you move further up the pyramid and take into consideration more differentiating factors, the incentive and reward scheme will become more personalized to each individual employee. It thus follows that the further down the pyramid you move the more generalized the scheme becomes and the more applicable to each employees it becomes. In order to determine how far up or down the pyramid a firm can go depends on the following factors (not limited to):

    i.   The financial size of the firm;
    ii.   The number of employees within the firm;
    iii.   The resources available to the firm; and
    iv.   The number of countries the firm is based in.

Incentive and reward scheme models are never a 'one size fits all', therefore all schemes need to be personalized on the basis of all the differentiating factors discussed and each firm's capabilities. Therefore there is no 'one' more effective incentive and reward scheme that is applicable to Generation Y members in accounting firms.

6.5. Comparisons of findings with existing literature and contributions of the research

The results of the research differ in several ways when compared with prior studies in this area of research. Firstly, there is a significant amount of research in the field of generational characteristics and incentive and reward schemes, but these fields are rarely studied as interlinked parts. Nonetheless, based on Vroom's expectancy theory, different incentive schemes will have different effects on different employees depending on their preferences and characteristics (Vroom, 1964) as well as their generational characteristics (Westerman & Yamamura, 2007; Parry & Urwin, 2011; Kupperschmidt, 2000). The current literature on both areas is large, but is generally conducted in isolation and is thus underdeveloped (Westerman & Yamamura, 2007).

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This research contributes to the existing literature, by bringing together these two key areas of research.

Secondly, the scope of this research has been narrowed to ensure that the research is very specific and detailed on the area of interest. This allowed the researcher to gather in-depth, valuable and rich information. Most of the literature relating to generational characteristics has been generalized to all industries or occupations (Kupperschmidt, 2000). In contrast, the research focuses on accounting firms and other business and commerce fields, but across both Generation X and Y. Further, it focused on participants within the same geographical location, but with different cultural backgrounds and different countries of origin. There are no generational characteristics, the findings of the research are that the differentiating factors (refer to figure 6.2) are more important.

Thirdly, the research was done in New Zealand instead of in the USA, which makes it the first of its kind. New Zealand is a diverse country with many different cultures, genders, races and personalities, which makes it the ideal population from which to choose participants for the research. In addition, due to the increasing growth of international companies, communication and trade, understanding various countries and cultures in this area of research is important. This research thus contributes to existing literature by including a country that has never been studied in relation to the topic of interest.

Lastly, the findings of this research will enable mangers to build effective incentive and reward schemes to address the problem of employee retention and recruitment. It will give managers the practical tools and knowledge to understand, manage, recruit, retain and motivate employees. This research has suggested a new 'pyramid' model for designing and implementing incentive and reward schemes which is based on differentiating factors instead of generational characteristics. The new model is a contribution to existing models which have been identified in prior research, but is the first from a New Zealand perspective.

6.6. Limitations of the research

This study did not aim to identify generalizable findings, but to gather in-depth information from the participants and ascertain their opinions, comments and feelings towards a specific topic. The information is thus highly subjective, and since the researcher has to interpret and analyze the data, there is always a risk that true feelings and opinions of the participants may have been misunderstood, especially since some of the participants struggled to express themselves in the English language.

Section 4.5 points out that not all the planned participants attended their scheduled sessions and as a result, some of the focus groups had smaller groups than expected. The researcher still managed to gather valuable information, but there is a risk that the group-dynamic has been lost which is key to Focus Group Methodology.

Lastly, there is a risk that the participants chosen for the research were not an accurate representation of the populations as many of the participants were recruited from personal and work relationships and all participants were recruited from the same geographical location. However, the group composition was designed to ensure a wide variety of other characteristics such as gender, culture and age and therefore the risk of the geographical location being a problem is low.

6.7. Implications and opportunities for future research

There are both theoretical and practical implications that can be drawn from this research. Firstly, the suggested model for designing incentive and reward schemes will allow other researchers to expand on the concept or to repeat the study in different occupations and work settings. This model and research also provides employers with the necessary knowledge and tools to address the problem of employee retention and recruitment (Westerman & Yamamura, 2007).

This research is also important to all employees in the workplace as it will allow them to better understand their colleagues especially if they are from different cultures, age groups, countries and more. IF employers better understand their employees, they will have the necessary

knowledge in relation to giving them feedback, rewarding them, motivating them and communicating and managing them on a daily basis. For colleagues, it would mean that they can better communicate with their team members (Generation Y members) and find the most effective manner in which to work together.

Another opportunity for future research is for other occupations and industries to be examined specifically in relation to generational characteristics, as the existing literature is too generic. A similar study can be done with more than two main generations and more focus groups, as this research did not achieve its planned number of focus groups participants.

6.8. Conclusion

This research has identified the most effective types of incentive and reward schemes for Generation Y employees in accounting firms by examining how generational characteristics and other differentiating factors impact employees in the workplace. It is suggested that incentive and reward schemes are build based on differentiating factors (figure 6.2) instead of generational characteristics, as there is little support that these exist. There are future opportunities for more research to be done with a higher number of participants, different generational participants and different occupations or countries. This research makes a contribution by identifying a new 'pyramid' model from which to design incentive and reward schemes, includes the first study from New Zealand and determined that generational characteristics do not exist. Thus, employers needs to pay less attention to generational characteristics in their workplace and move attention to cultural, workplaces values and career phase when designing incentive and reward schemes.

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TE WHARE WĀNANGA O TE ŪPOKO O TE IKA A MĀUI

VICTORIA
UNIVERSITY OF WELLINGTON

Generation Y: Incentive and Reward Schemes

Information Sheet

I am a Masters student at the School of Accounting and Commercial Law, Victoria University of Wellington. I am seeking participants to take part in focus group discussions which will allow me to identify the main characteristics of Generation Y members and to explore the most effective incentive and reward schemes for these members. Victoria University of Wellington requires ethical approval for all research involving human participants. This project has been approved by the Human Ethics Committee of Victoria University of Wellington.

Part of my work for the Master's degree is to undertake a research project and I have chosen the area of Behavioral Accounting and Incentive Schemes. To learn more about this area, and how it is applied in New Zealand, I would appreciate having the opportunity to interview a number of people within the Victoria Business School as well as outside. The focus groups will take approximately an hour to complete and will take place at the Pipitea Campus of Victoria University. I will ask to record our discussions if possible so that I may have a clear understanding of your views.

I hope to obtain a number of volunteers from Generation Y (Born between 1980 and 2000), Generation X (Born between 1965 and 1979), and the Baby Boomer (Born between 1946 and 1964) generation who have studied or are currently studying accounting as well as those who are accountants. In addition to these groups, I hope to obtain volunteers from Generation Y members who are majoring in other areas of commerce excluding accounting. The responsibility to maintain the confidentiality of the participants will rest with each participant.

All interview material, recorded or transcribed, will be held in a secure place. My supervisor is Carolyn Fowler, one of the senior lecturers at Victoria University. All the interviewees' identities will remain confidential and non-identifiable (except to myself and my supervisor) in the research project and any future publications by myself and/or my supervisor. At the end of my research project, I will deliver all interview material to my supervisor to be confidentially filled and she will also be responsible for its destruction. A consent form will accompany the focus group discussions.

Participation in the focus group is entirely voluntary and, if you change your mind, you can withdraw from the group at any point until the commencement of your focus group discussion. If you do volunteer to participate, please be aware that I will be selecting the participants based on a number of categories (age, ethnicity and gender) so as to ensure my sample is representative. After you volunteer and if you are chosen as a successful participant, I will email you regarding the focus groups. Volunteers who are not selected, will be emailed and their information destroyed.

If you have questions about this research or your participation, please feel free to contact myself, Jessie du Preez at jessiedp@gmail.com or my supervisor, Carolyn Fowler at carolyn.fowler@vuw.ac.nz. I would greatly appreciate your participation in the project and I look forward to learning more about this important topic.

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<u>Volunteer Information Sheet</u>

Name: _____

Best method of communication   Phone Call   Email   Text Messaging

Communication Details: _____

Please answer the following questions, as they will help me to select a balanced and complete sample:

What ethnicity are you? _____

What is your date of birth? _____

What is your nationality (please indicate if it is different to your original country of birth) _____

What is your gender? _____

What culture do you associate yourself with most? _____

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Appendix III

Jessie%du%Breez%%jessiedp@gmail.com%

TE WHARE WĀNANGA O TE ŪPOKO O TE IKA A MĀUI

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Focus&Group&Consent&Form&

Consent'to'participate'in'the'following'project:'

Jessie%du%Breez's%study%on%Generation%:%Incentive%and%Reward%Schemes.%

I'have'been'provided'with'adequate'information'relating'to'the'nature'and'objectives'of'this'research.'I' have' been' given' and' understand' an' explanation' of' this' research' project' and' have' been' given' the' opportunity'to'seek'further'clarification'or'explanations.''

I'understand'that'this'Focus'group'discussion'is'being'recorded'and'consent'to'this.'

I'understand'that'I'may'withdraw'from'this'study'at'any'time'before'the'commencement'of'my'group' discussion.''

I'understand'that'if'I'withdraw'myself'from'the'research,'any'data'I'have'provided'will'be'returned'or' destroyed.''

I'understand'that'the'information'I'have'provided'will'be'used'only'for'this'research'and'that'any'further' use'will'require'my'written'consent.''

I'understand'that'I'will'keep'the'information'discussed'during'the'focus'group'confidential.'I'can'disclose' the'general'nature'of'the'discussion,'but'I'may'not'disclose'any'personally'identifiable'data'or' information.'

I'understand'that'when'this'research'is'completed'the'information'obtained'will'be'destroyed'after'3' years.''

I'understand'that'I'have'the'opportunity'to'ask'for'the'Focus'group'transcription'that'I'was'part'of'and' may'also'request'the'summary'of'findings'of'the'final'research.''

I'consent'to'other'members'of'my'Focus'group'being'able'to'request'a'copy'the'transcription'of'our' Focus'group.'

Please'tick'the'following'options'if'appropriate:'

' [ ]   I'would'like'to'receive'a'summary'of'the'results'of'this'research'when'it'is'completed'

☐   I would like to receive the transcript for my focus group.

I have read the above and consent to take part in the research as described.

Signed:

Name of Participant:

Date:

Focus Group Ground Rules

This focus group discussion will be held under the Chatham House Rule, in addition to a few more ground rules.

1. Chatham House Rule: All participants are free to discuss the general nature of the research, but are not allowed to disclose any direct or identifying information about the other participants, their affiliation or what was said in the focus group discussion.
2. The aim is to obtain personal information in the form of opinions or experiences; therefore there is no right or wrong answer.
3. Be respectful to all other participants and allow once person to talk at a time.
4. The discussion is being recorded for purposes of analysis afterwards.
5. As participation is entirely voluntary, if a break is required or you need to leave, feel free to ask for a break or let the interviewer know if you need to leave.

Focus Group Interview Questions

<u>1. Please rate your perception of the following statements on a scale from strongly agree to strongly disagree. The scale will be provided and will be on the white board.</u>

*The aim of this question is to allow the participants to slowly get a feel for the types of questions and what is being asked. I expect there not to be too much discussion on this question as it is an introduction question and only stimulates their thinking for the questions to come.

Quotes from Managers:

- "You do not care about customers"
- "If you are corrected then, you will quit"
- "You think there is always an excuse that can make being late okay"
- "You want a trophy just for showing up"
- "Yelling and screaming is the only thing you understand"
- "You pick up computer and cash register skills quickly, but if it breaks you cannot count back change from a $10 bill"
- "You will ask for an extended lunch hour to go shopping with friends after your third day on the job"
- "You assume it's ok to call me by my first name like we are buddies. I am your boss"
- "Anything extra nice I do, you act as if I owed it to you"

Quotes from employees:

- "I am not defined by my job"
- "I want to have a say about when I work"
- "I want to have a say about how I do my work"
- "I do not expect you to be my best friend, but when you evaluate or critique me, I want you to do it in a friendly way (just like my parents did)"
- "I want you to give me direction and then get out of my way"

<u>2. How do you feel about these two statements and do you agree to all or some extent?</u>

*This question has been chosen in order to provide a basis for discussion specifically in relation to financial and non-financial incentives. A discussion is expected and differences amongst different genders, ethnicities and ages will be explored where appropriate.

You are expected not to be too concerned with financial security and a good salary, but instead you are expected to place more emphasis on job fulfilment and satisfaction.

As you are expected to value job enrichment and fulfilment, the most effective incentive schemes will be those that focus on feelings, empowerment, engagement and development for the future. It does not suggest you want a bad or low salary, but instead of an incremental financial pay scheme – you would like a scheme which balances the financial and non-financial incentives.

3. How much emphasis would you place on Corporate Social Responsibility (CSR), volunteering and job fulfilment based on the following statement?

> *This question has been chosen to stimulate discussion around the topic of CSR and the participants views, opinions and related values. I expect that recent graduates will make reference to the university curriculum.

Linked to this idea of job fulfilment, you are expected to place a lot of emphasis on the status and reputation of the company you work for. In other words, you want to work for a company that stands for what you believe and what you can be proud of. Therefore, CSR is important to you as well as volunteering. You are also more attracted to social enterprises than to corporate enterprises.

4. How accurate is this statement of yourself?

> *This question deals with the technology we have available in the workplace today and how that affects each participant in the work place. I hope to understand whether the participants supplement work relationships with technology or whether they substitute them.

You are seen as a digitally comfortable generation which means that you are very comfortable and at ease with technology. This has an impact on the way in which you learn, receive mentoring, and go about your everyday work. You don't care much about building work relationships and do not want to be micro managed; you have the necessary skills and technology to help if you need it.

5. How does this statement make you feel about what you are assumed to be like?

> * I expect some defensive discussion regarding these comments but also hope to find out whether it is the same (regardless of opinion) for genders, ages and ethnicities.

You are seen as being too impatient and in some cases as narcissistic. There is a fine line between confidence and narcissism and you rely heavily on constant and regular feedback, as well as compliments.

6. Please rate on the same scale used in the first question, the extent to which you agree or disagree with the following statement and explain your reason:

This is the closing question and the reason it is so short is because it ties together all the incentive and reward scheme questions which is the main objective of the research. It also allows them to approach the question any way they want and add any information they think might be relevant.

"A job is a manner or route in which we explore our passions, interests, hobbies and philosophies and not only a means to pay the rent".

Scale Used to Rate feelings, perceptions and statements.

-2	-1	0	+1	+2
Strongly Disagree	Disagree	Don't Care	Agree	Strongly Agree