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UNDERSTANDING WORKING VALUES PREFERENCES OF GENERATION Z

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ABSTRACT

The aim of this study was to examine and comprehend the work values preferences of Generation Z in Indonesia. This study using work values dimension by Twenge et al. (2010) that consisting of Extrinsic, Intrinsic, Leisure, Altruistic and Social Rewards. This study employed a quantitative method to process data. An online questionnaire used in the data collection method and gathered 132 data. The result of mean and aggregate mean calculation indicated that the preference of Generation Z towards the job is Intrinsic value while the least favorite is Leisure value which about work-life balance and more flexible position. The frequency of priority also shown that the priority Generation Z have Intrinsic Value which can describe that in seeking a job, Generation Z considers their feelings towards the position and expected the advancement of their skill and knowledge they will have through the job.

INTRODUCTION

People as a human being have different essential characteristics of behavior, and those are often in contrast with the requirements in corporate or organization (Andrea, Gabriella, & Timea, 2016). It can be affected by the differences of the generation that results in difference between work values from each generation. The differences could be the challenge for the organization to foresee the needs of the latest generation which is Generation Z in order to make sure the group of multigenerational can work effectively side by side (Knoll, 2014). In an organization or corporate nowadays, the employee structure might consist of people from different generations. As the matter of fact, it is essential for organization or corporate to apprehend and experience the preferences and characteristic of the Generation Z towards work values in order to help the employers to evaluate or even make the strategic planning in recruiting process and to retaining these young workers and prepare them to be the future leaders. As asserted by Grochowski and Lawrence (2013), people from different generations may work along and they share their ideas and their vision. It also could help the organization or corporation to appreciate and pay more attention to the

structure of jobs, also in offering compensation packages to attract the best talent (Twenge, Campbell, Hoffman, & Lance, 2010). The aim of this study was to reveal the preferences of work values from the Generation Z. This study is crucial since in the near future they will load the positions within the organization or corporation. Expectedly they may work side by side in the future, and be very well prepared.

Generation Z is defined as those who were born in and after 1995 (Berkup, 2014). This generation also considered as a generation that was born in a world wide web era who are familiar to internet, laptops, smartphones, and also called as digital media era (Bascha, 2011)

Working Values Preferences of Generation Z

It makes them distinguishes from other generation because they are born and raised in the digital world and connected to technology (Singh & Dangmei, 2016). In chronological order, the categorization of generations is shown in Table 1.

Table 1.

Chronological Generation Classification

Generation	Year
Traditionalists	1990 - 1945
Baby Boomers	1946 - 1964
Generation X	1965 - 1979
Generation Y	1980 - 1994
Generation Z	1995 - present

Source: Berkup (2014)

Those generations born in a different era and lived in a diverse culture between them that means these differences can affect to the way they perceive the value of a job (Berkup, 2014). These differences also can create diversity in the workplace that could give beneficial effect but also could create generational problems that might include some severe conflicts (Parry & Urwin, 2011) and the disputes might be triggered by variations in their perspective and understanding about work – life (Gursoy, Maier, & Chi, 2008). Each of those generations has different life experience so that their work values are more varied. This study also can highlight the tensions that happen between ages since there has been found ambivalent in the relationship between the previous generation and current generations (Szűcs, Töröcsik, & Soós, 2010). According to Bennett and Rademacher (1997), young generation will come and bring their own characteristic feature and value judgment as they will replace the old generations.

This study examined the work values preferences of Generation Z in Indonesia specifically in Jabodetabek (Jakarta, Bogor, Depok, Bekasi) area since those particular regions are the nearest areas from the Jakarta--capital city of Indonesia, core of the economy. Prior researches that have been

conducted regarding work values mostly took place in developed countries like The United States (Twenge et al., 2010; Hansen & Leuty, 2012) and Australia (Benson & Brown, 2011). Therefore, to enrich the study on work values in developing countries, this study was conducted, by taking study case the Indonesia. Based on data of Central Bureau Statistics (BPS) in 2015, 95% of total workforces consisted of Generation X, Generation Y and Generation Baby boomers with the total number of workforces amounted to 120.647.697 while only less than 5% of Generation Z. Based on the percentage, it is apparent that the composition of labor is enhanced by those three generations.

As stated, Generation Z is categorized into (1) those who are born in and after 1995 (first generation of Generation Z, whose graduation is in 2017 on local standard). (2) Secondly, those who are freshly graduated and currently in their beginning of the career path meanwhile the rest are still in college and soon graduate. Because of these variations, it is essential for the organization or corporate to sense of what Generation Z's work values are, since human resource management in recruiting process and to retain the best future talent of Generation Z which will give impact to organizational performances.

LITERATURE REVIEW

Work Value

Those generations born in a different era and lived in a diverse culture between them that means these differences can affect to the way they perceive the value of a job (Berkup, 2014). These differences also can create diversity in the workplace that could give beneficial effect but also could create generational problems that might include some severe conflicts (Parry & Urwin, 2011) and the disputes might be triggered by variations in their perspective and understanding about work – life (Gursoy et al., 2008). Each of those generations has different life experience so that their work values are more varied. This study also can highlight the tensions that happen between ages since there has been found ambivalent in the relationship between the previous generation and current generations (Szűcs, et al., 2010). According to Bennett and Rademacher (1997), young generation will come and bring their own characteristic feature and value judgment as they will replace the old generations.

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Generation Z

Generation Z are those who were born in and after 1995 (Berkup, 2014). Those people are also defined as the internet or digital generation influenced by the era they were born and raised (LEVICKAITE, 2010). Institute for Emerging Issues in 2012 postulated that this generation has the most diverse in ethnic. They have more tendency in entrepreneurial (Schawbel, 2014) and have different requirements and motivating factors if we compare to the earlier generations (Singh & Dangmei, 2016). Teresa Bridge (2015) stated that Generation Z prefers to work in an environment that develops mentoring, learning and professional development opportunities.

Strategic Human Resource

This study would be a foundation for organization to make strategic human resource specially to treat the next Generation Z. Since strategic human resource management practices are aligned with strategy in an organization in order to achieve higher organizational performance

MATERIALS AND METHODS

Research method used in this study was a questionnaire, conducted for those classified in Generation Z. Those were born in and after 1995 with total 112 of respondents. Self-administered questionnaire is used in this survey.

There are three parts in the questionnaire consisting of profiling questions, work value questions, and work value ranking. Work value questions consists of parts in 5-point Likert type scale, ranging from strongly not important to strongly important. There are 19 questions to measure the work value that divided into five factors: (1) first factor of extrinsic value consists of five questions, (2) second factor of intrinsic value comprises of six questions, (3) third factor of leisure consists of four questions, (4) fourth factor comprises of altruistic rewards in two questions, (5) fifth factor that is social rewards composed of two items.

In extrinsic rewards, five questions are used to identify respondent's preference towards the status of a job, financial aspect, and the opportunity of job promotion and all those preferences represented by five questions. As for intrinsic rewards, it is divided into seven questions which pose the indicator of how they can use and develop their knowledge and skill in the job. In leisure reward, respondents will be asked about their preference on working style. Meanwhile, in altruistic value, respondent was given two questions concerning their preference toward social contribution and the

impact of their work for society. The last is social rewards which concerning the social relationship through the job.

Apart from the 19 questions on the work value part, there is value ranking. In the work value ranking part, there are 5 statements wherein each represents the 5 dimensions of work values. From each of these statements, respondents were asked to give priority rank according to their preferences starting from the highest priority 1 to the lowest priority 5. This study aimed to reveal the work value preferences of Generation Z. Descriptive Quantitative method will be used in order to find the work value preferences.

RESULTS AND DISCUSSIONS

By using quantitative descriptive method, the data obtained from the results of questionnaires was analyzed. The distribution of respondents by gender is exhibited in Table 2.

Table 2.
Distribution of Respondents

Demographic	Frequency N	Percent %
Gender		
Male	65	49,2 %
Female	67	50,8 %
Total	132	100 %

Respondents who contributed in the filling of the questionnaire consisted of 65 people and the majority were female which amounted to 67 people with the percentage 50,8 % from the total respondents. They were all born in 1995 or later.

Finding the preferences, the calculation was commenced by obtaining the score of each item on the questionnaire by underlying from data on Likert scale consisting of 5 categories are Extrinsic, Intrinsic, Leisure, Altruistic and Social Rewards. The mean of the value given by the respondent on each question were calculated, then the aggregate mean for each dimension category of the Work Value were attained. The results of the calculations are shown in Table 3.

Table 3
Work Values Manifestation

Value	Mean
Extrinsic Value	4,1
Intrinsic Value	4,5
Leisure Value	3,9

Altruistic Rewards	4,3
Social Rewards	4,4

Table 4.
Work Values Rank

Value	Ran k
Intrinsic Value	1
Social Rewards	2
Altruistic Rewards	3
Extrinsic Value	4
Leisure Value	5

By the calculation, it was revealed that the highest score of respondent towards Work Value is Intrinsic Value and the lowest score is Leisure Value. It can be concluded that the work value preferences of Generation Z are on Intrinsic Value which is more about individual’s feeling towards their job and the engagement to their passion. Meanwhile, the least favorite is Leisure which is more about work-life balance. Based on Table 3 and Table 4, it is also explicated that Intrinsic is ranked at 1st place while Social Reward is ranked at 2nd place, having a margin of 0.1 points which social rewards are about one’s interpersonal relationship at work.

Moreover, after identifying the rank on the value preference that Generation Z have, a more in-depth review of the demographic aspect that is based on gender to determine the decision by calculating the aggregate mean for each value category as per gender.

Table 5.
Work Values Manifestation by Gender

	Extrinsic	Intrinsic	Leisure	Altruistic	Social Rewards
Aggregate mean of Male	4.1	4.5	3.8	4.3	4.2
Aggregate mean of Female	4.1	4.5	4.0	4.4	4.5
Aggregate mean of all	4.1	4.5	3.9	4.3	4.4

Furthermore, preference tendencies based on the gender of respondents. The estimation is performed by finding the mean of each category for each gender (male and female). Based on the estimation data as shown in Table 5, the males, the results of the calculation of means found the highest result is Intrinsic value which means the tendency of work value of Generation Z for male is intrinsic value as the highest. Furthermore as the lowest score of aggregate mean for male generation Z is Leisure value which is the value that described about work-life balanced. This is the same as the overall mean of total respondents. Meanwhile, the calculations conducted on female respondents, we found that the highest results found in two categories, namely the intrinsic value and social rewards. From these results can be described that Generation Z for work preferences exist in two categories, namely in intrinsic value and social rewards. By those data, we can understand that for female Generation Z have tendency in two aspects. Since intrinsic value is more talks about individual's towards the job that they have while the social rewards are about the relationship they can have in to society through the job and how their job can give impacts for social environment. And it make sense if we see the difference of aggregate mean of all correspondents oh Intrinsic and Social Rewards only have 0.1 point difference.

Moreover, after find the preferences by measure the mean of 19 question for each dimension, the data also supported by the last part in questionnaire which is the work value ranking part. On this part, respondent has to choose their priority towards statements that represented each dimension of work value. We calculate to see the frequency and percentage of respondents towards priority 1 as shown in Table 5.

Table 6.

Work Value Priority 1

<i>Statement</i>	<i>Value</i>	<i>Frequen cy</i>	<i>Percentag e %</i>
Jobs that provide many opportunities to have many relationships	Social Rewards	22	16,7 %
Jobs that provide opportunities for leisure time (eg. for hobbies)	Leisure	17	12,9 %
Jobs that provide opportunities for self- development	Intrinsic	53	40,2%
Jobs that give contribution to the environment	Altruistic	11	8,3%
Jobs that have dignity, prestige and appreciated by many people	Extrinsic	29	22,0%

Data that shown in Table 6 are the measurement of the respondent who has priority 1. The statement represents each value. It can be inferred that the highest statement which was chosen as priority 1 is the statement of Intrinsic. Total of 53 out of 132 respondent has Intrinsic as their priority to jobs which is 40,2 % of total respondents. The results support the previous calculation resulted from preferences of Generation Z is in Intrinsic Value. It means the most important consideration that Generation Z have in choosing a job is the Intrinsic Value. By knowing the work value of Generation Z, the Human Resource Department team can start to do strategic planning in the human resource area. For the plan, they can begin to compose a plan for recruitment sources which started from internet recruitment since this generation considered as the generation that born in a world of wide web era, who are familiar to the internet. Other than the recruitment process, Human Resource Department could also make a plan in training and development in order fulfill the needs of this Generation based on their work value. By the result we find that the highest value is intrinsic to the Human Resource Department can prepare the training specifically to increase the skill and knowledge that the employment needs to support their growth in their job and help them to make career growth planning.

CONCLUSIONS

This study aimed to discern and surmise the work value preferences of Generation Z in Indonesian. This study was conducted to help the employers in evaluating or even do the strategic planning in the recruiting process. Additionally, to help them retaining young workers and prepare them to be the future leaders of a company. It also could help the organization or corporation to appreciate and pay more attention to the structure of jobs, even to offer compensation packages to attract the best talent.

From all the calculation and analysis, it was revealed that the highest mean score of work values is in Intrinsic value which describes one's perception of job opportunity that they can get through the job, and opportunity to skill and knowledge advancement. For the least score is in Leisure Value which describes one's preference to work-life balance and the interaction that can be built among others. The difference is quite significant where the mean score for Intrinsic is 4.5 while the mean score for Leisure is 3.9, there is 0.4 point of difference. So we can conclude that they are valuing it differently.

In terms of priority on work, values ranking also resulted in Intrinsic Values as the highest priority that respondents have. Intrinsic is defined as a perception of an individual's feeling towards their job, and how they expect about skill and knowledge advancement they could get in the position. Furthermore, it was unveiled that the tendency of work value preference based on gender, between male and female is the same: Intrinsic value. However, the female respondent has two highest scores, Intrinsic and Social Rewards. From that, we can conclude that Generation Z specifically female has a higher tendency for social rewards as their consideration towards job than male has.

It is suggested that management in organization or corporation enhance their strategy, primarily in the recruitment process and training development that suitable to the character and work values of Generation Z.

Following the result, this research in this study has limitation. First, this research needs to develop a more significant number of samples so the result could be used to generalize the work value preferences of Generation Z.

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