

DIFFERENT GENERATIONS SAME EXPECTATIONS



For more than 15 years, HR Coach Australasia has been assessing and reporting on the changing expectations of the different generations of people in the workplace. It has always seemed logical to us that different generations have different needs. Where we can identify and report them to business leaders, leaders are better positioned to manage different employees' expectations differently, to achieve better results for their business.

During the last three years, many things have changed. The pandemic has been followed by a war in Europe; supply chains have collapsed, and some are still to recover; unemployment has dropped to 40-year lows; the workforce has aged and changed; there is a housing crisis; hybrid employment is now the norm; legislation is quickly reflecting changes in society expectations; climate change is impacting nations; power sources are changing; inflation has reached 30-year highs; and, there are significant changes in the goals and ambitions of several countries, which could further impact supply chain challenges.

The rapid growth of robotics and artificial intelligence (AI) is further changing how some work is done, reinforcing the ongoing impact of technology on change.

In this challenging environment, every business leader has to find the right information to give them the edge to help their business align their activity with their strategy through their people.

Uncertain and changing times are here to stay.

Business owners need to build resilience and capability in their businesses to survive and flourish. The challenge is that businesses don't make decisions people do. So the key is to unlock the people capability within the business so better decisions are made and better outcomes are achieved.



Key trends have been identified by analysing data collected from over 880 workplaces and 29,000 employees over the last 15 years. This has provided insights into the ongoing challenges that business owners experience when attempting to align their business activity with their business strategies.

Generational Research

More recent data has then been extracted from the STAR Workplace results to study **the generational impact in the workplace over 36 months (from 2019-2022)**. This study included **over 140 workplaces and more than 5,000 employees**.

For this report, the generation groups are:

Generation Alpha (2007 -2020)

Generation Z (1989 – 2006)

Generation Y (1978 – 1988)

Generation X (1965 – 1977)

Baby Boomers (1946 – 1964)

Veterans were excluded from the final data analysis due to their statistically small sample size.

Below is a summary of the highest and lowest-scoring satisfiers within the data sample and three key trends that have surfaced over the past three years.

Trend 1: Generational Expectations 2019 - 2022

Generation	Top 3 Satisfiers	Top 3 Dissatisfiers
Alpha	I know what I am accountable for Comfortable, safe, clean work environment I am trusted	Remuneration/ pay and bonuses Good quality communicators Recognition of my contribution
Gen Z	I am trusted Flexibility in work arrangements I know what I am accountable for	Remuneration/ pay and bonuses Opportunities for advancement Efficient planning and decision making
Gen Y	Flexibility in work arrangements I am trusted Interesting work / I know what I am accountable for	Remuneration/pay and bonuses Efficient planning and decision making Opportunities for advancement
Gen X	I am trusted Flexibility in work arrangements Interesting and challenging work	Remuneration/ pay and bonuses Opportunities for advancement Efficient workplace
Boomers	I am trusted Flexibility in work arrangements I know what I am accountable for	Remuneration/ pay and bonuses Opportunities for advancement Efficient planning and decision making

There is a high level of consistency in expectations between all Generations (except Alpha, who are just starting) in the workforce. **Trust, flexibility in work arrangements and people knowing what they are accountable for are expected by all respondents.** Suppose, as a business owner/leader, you are not scoring well on these core satisfiers in the workplace. In that case, you can expect high employee turnover as employees look for these same drivers in other workplaces.

Even if you are delivering on these top satisfiers, where businesses fail to deliver on the major dissatisfiers, employees and managers will seek alternate employment to deliver better outcomes on these items. The results are again overwhelmingly clear – **businesses need to ensure that remuneration/pay and bonuses reflect market rates, provide internal opportunities for advancement, and demonstrate efficient planning and decision-making.**

Trend 2: Employers are Benefiting

Three recent years of employer survey data have also identified some unexpected positive trends and challenges, reflecting some of the other changes being experienced in workplaces. This becomes even more significant compared to the previous 12 years of survey data.

Significant employer survey result areas which improved include:

1. Individual accountability Improved by 19%
2. Employees volunteering ideas for improvement Improved by 13%
3. Efficient management of information Improved by 10%
4. Ability to assess applicants Improved by 10%
5. Customer service Improved by 8%

The encouraging aspect of some of these improvements is that they directly reflect aspects identified by all generations as core to their satisfaction.

Unfortunately, the survey data also identified the following areas where results were reduced, reflecting the extreme tightening in the labour market and the pressure from all generations concerning pay and remuneration:

1. Employee pay rates and remuneration Reduced by 15%
2. Obtaining responses to vacancies Reduced by 14%
3. Finding quality applicants Reduced by 9%
4. Converting applicants to employees Reduced by 5%
5. Promoting the business during the recruitment stage Reduced by 4%

The data suggests that business owners/leaders are very aware of the market pressures to resolve employee expectations regarding pay and remuneration while also struggling to resolve this in their business. They are also experiencing the challenges of the tight, mobile labour market in the context of struggling to find and recruit quality applicants.

Recruiting quality candidates is getting harder and more complex, and when you do, candidates are often seeking remuneration at a higher level than their potential peers within the business. This then prompts employers to either lift the rate of their existing employees to reflect these market pressures or accept that they could lose more employees chasing market pay rates after new staff commence. The more proactive approach would be for businesses to move their existing employees to more market competitive pay rates before employees demonstrate dissatisfaction by resigning and joining another business for more money.

The cost of employee turnover on a business's revenue is at least \$55k per employee, so reducing employee turnover by moving to market pay rates makes sound commercial sense.

Trend 3: Anchor points for Employers

Over 15 years of survey data continues to identify some specific survey items where the results continue to be poor. These items are negatively impacting on employers and leaders having any spare capacity to maximise opportunities in the ongoing challenging times that they face. These anchor/low points across 15 years of survey data include:

- | | |
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| 1. Workplace efficiency | 52% |
| 2. Following up to ensure tasks are completed | 52% |
| 3. Consistency in procedures and policies | 56% |
| 4. Effectiveness of communication channels | 57% |
| 5. Having the right people to make strategy happen | 58% |

Business owners/leaders could get some great returns if they could focus on and improve these results specific to their business or business unit.

A lack of consistency in procedures and policies impacts workplace efficiency, placing more pressure on business owners/leaders to follow up to ensure tasks are completed. This is: negatively impacting business performance; the business owner's energy and strategic focus; and employees who are dissatisfied with the lack of efficiency,

Communication channels also need to be improved between employers, managers and employees – if only to ensure the people know what they are accountable for and have the skills and interest for the job or task.

Assess How Your Business is Performing

The evidence is now very clear – you need to deliver on the major satisfiers for all employees and managers while minimising the major dissatisfiers so that you do not lose employees, which will negatively impact your business.

Use a scale of 1-5 to rate your business on each question, where 1 means significant work is required and 5 means your business is a role model of others.

Consider this a broad business review, and the aim is purely to give you an idea of where to focus your energies in these challenging times.

	1	2	3	4	5
We trust our employees and managers to do their jobs, all of the time	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We are very flexible in our work arrangements, proposing and accommodating requests at every opportunity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
All managers and employees know what they are accountable for, all of the time.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We ensure that our remuneration, pay and bonuses are equal to or better than current market rates, all of the time	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have very efficient planning and decision making processes and authorities, with employees empowered to make decisions appropriate to their role, all of the time.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We always provide opportunities for career advancement to people inside our business, in preference to appointing from the external market.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have highly effective (two way) communication channels between business owner, managers and employees that work all of the time	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have well developed policies and procedures that are known and followed by all employees and managers to ensure consistency of outcome all of the time	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We never have to follow up to check that tasks are completed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have the right people in the business to make our strategy happen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TOTAL					

10

20

30

40

50

How to Meet or Exceed Expectations

The research findings from the last 3 years are clear – every generation in the workforce has very similar expectations. Here are the keys and potential solutions to meet or exceed the expectations of the people in your business, irrespective of their generation.

Generation Key Findings Solutions that work

Trust	Assess the level of trust in the business using STAR Workplace. Improve communication skills of managers and supervisors initially by DiSC Management, then Advanced Performance Coaching
Flexibility in Work Arrangements	Implement or retain hybrid work arrangements, capitalising on 'Plugging in to Hybrid Work' strategies for managers and businesses
Accountability	Assess employee alignment with business strategy using STAR Workplace and ensure systems and processes support people owning their own roles and performance outcomes
Remuneration, pay and bonuses	Access current remuneration market data, complete job evaluation using JG Plus or similar and correct anomalies before it is too late.
Opportunities for Advancement	Ensure formal performance review/performance coaching processes are identifying both skills gaps and employees interested in advancement. Formalise in annual personal development plans
Efficient Planning and Decision Making	Implement process improvement and delegate decision authority to improve efficiency and speed of decision making. Avoid micromanagement of/by managers.

HR Coach Australasia consists of an Independent Member Network delivering human resource and strategic alignment solutions to businesses.

HR Coaches work with businesses to establish and maintain the link between People and Business Strategy to improve performance and profitability. HR Coach has researched the Australasian small to medium business sector for the last 20 years and Coaches use this research, patented tools and methodologies to deliver solutions for businesses that are practical, timely and effective, every time.

