

# **BATTLE OF THE DECADES: GENERATIONAL DIFFERENCES IN THE RETENTION OF AUSTRALIAN AGED CARE EMPLOYEES**

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## **Abstract**

The ageing workforce, global shortage of nurses and the increased reliance on quality health care services for the aged have created a need to ensure a quality workforce exists within the aged care sector. However, Australia's ageing population brings with it an ageing workforce, where for the first time in history, employers are left to respond to the benefits and challenges of having up to four generations of employees working alongside each other. For human resource management professionals, age diversity can be particularly challenging as research has found that each generation is motivated to stay in an organisation by different Human Resource Management strategies. Therefore, it becomes necessary to examine generational differences in the context of aged care employees to ensure an appropriate workforce exists to respond to the need. This paper presents the findings of 330 employee's qualitative responses to open ended survey questions relating to their short term and long term retention motives. Results suggest that older workers are motivated to stay in both the short term and long term by pay, job stability and security, the work itself, and a supportive culture from management and the organisations. However, younger workers are motivated to stay by ensuring career opportunities are available to them as well as the work itself, and supportive culture. This research provides the aged care sector with significant information on the retention of aged care workers that can be used to enhance policies, processes, and guidelines around the retention of its core workforce.

## **Rationale**

Australia's ageing population brings with it an ageing workforce, where for the first time in history, employers are left to respond to the benefits and challenges of having up to four generations of employees working alongside each other. These generations are: The Veteran Generation (born 1925-1944), The Baby Boomer Generation (born 1945-1964), Generation X (born 1965-1980), and Generation Y (1981-2000). While age diversity in the workforce has its benefits such as improved creativity (Crampton& Hodge, 2007), and improved productivity (Ilmakunnas&Ilmakunnas, 2011), for human resource management professionals age diversity can be particularly challenging as some research has found that each generation is attracted to and motivated to stay in an organisation by different Human Resource Management (HRM) strategies (Wilson, Squires, Widger, Cranley, &Tourangeau2008).

A generation has been defined as an identifiable group of people who share the same birth years, age locations and significant life events at critical developmental stages during their lives (Kupperschmidt, 2000). Research examining this concept has argued that because of the differences in values developed by each generation as a result of the significant life events they have experienced, each generation tend to develop similar work and life values that shape their attitudes, behaviours and beliefs (Chen & Choi, 2008). These values then shape employees' attitudes, behaviours and beliefs about the type of retention strategies that entice them to stay at an organisation.

The existence of generational differences in the workplace has been debated in the literature for decades. On one hand, there is a body of research arguing that there is a relationship between generational differences and the effectiveness of retention strategies implemented. Whereas, another body of research argues that too much focus has been placed on explaining the differences found from a generational cohort perspective, and that instead the differences identified are a result of either an individual's career stage, age, or individual differences between people as a whole (Parry &Urwin 2011). This is important from a HRM perspective as if the first argument holds true, then HRM strategies are needed to be tailored to different generations, and as such, groups of employees would be motivated by similar things, and this makes the span of HRM retention initiatives required at organisations narrower. However, if the second argument holds true then the differences seen are a result of career stage, age or individual differences and a wider span of HRM strategies would be needed. Thus, examining if generational differences exist in a workforce is critical to ensure appropriate retention initiatives are implemented at organisations.

Within an Australian aged care context examining employee retention and turnover is particularly salient as the ageing population brings with it an increased demand for quality aged care services to support this population (Chou, Boldy & Lee, 2002).Therefore, research examining employee retention is needed in

order to identify if there are any differences between the generations in the factors that influence employees' intentions to stay at an organisation. As no research within an Australian Aged Care Sector was found that specifically examined differences in the factors that influence employees' intentions to stay, this research begins to address this literature gap by investigating the research question: Do generational differences exist in the factors that influence employees' short term and long term intentions to stay in the aged care sector?

## **Methods**

### *Participants*

This study invited 2100 employees from four aged care organisations to participate in this research. Participants were employed at not for profit organisations that ranged in size from small (less than 80 employees), medium (less than 300 employees), medium-large (less than 900 employees) and large (less than 4500 employees) across three states of Australia. Two of these organisations offered both residential aged care and community aged care services; the other two organisations offered either residential aged care or community aged care services. Of the invited participants, 330 valid surveys (304 Females, 26 Males) were returned to the researcher. These included 10 Veteran Generation employees (3.03%), 198 Baby Boomer employees (60%), 55 Generation X employees (16.67%) and 67 Generation Y employees (20.30%). This represented a total response rate of 17.6%. Participants were mostly employed in a direct care role (N=279, 84.55%), however responses were also received from administrative positions (N=51, 15.45%). Direct care roles included all employees working as a Registered Nurse, Enrolled Nurse, Enrolled Endorsed Nurse, Care Workers, Case Workers, Director of Nursing, Care Manager, Diversional therapists, Hotel Services, and Care Coordinators. Administrative roles included Administration, Receptionist, Retirement Living Coordinator, Business Support Officer, and Team Coordinator roles.

### *Procedure*

Formal ethics approval was obtained from Griffith University's Human Research Ethics Committee prior to the commencement of the study. Upon approval, the researcher initially approached 15 organisations around Australia to participate in this study. This was completed by emailing the research department or the generic email under the "contact me" option on the organisations website describing the study and inviting them to participate. Upon receiving approval to continue, survey packs were then distributed to the each organisation's sites or services by post. These survey packs included a frequently asked question document, an instruction to participant sheet, an information sheet and the survey itself along with a sealable envelope. Participants were provided two options for returning the survey to the researcher. They could either return the survey directly using the address provided, or they could place it in the box provided by the organisation who would then return it to the researcher for them. Posters were supplied to participating organisations to place in the staff room to encourage responses from employees. An email was then sent to all sites/services through the organisation's nominated personnel two weeks and four weeks after distribution asking them to return completed surveys. Once they had been returned, data was entered into NVivo version 10 for further analysis. Data was analysed using an interpretative approach with three levels of coding (open, axial and reflective) conducted to examine the emerging themes in responses.

### *Measures*

Two open-ended questions were asked in the survey of participants in order to understand the factors that affect employees' short-term and long-term retention. Note: the survey included other items, however, due to the scope of this paper only the open ended questions relating to employees' short term and long term retention will be examined. These questions were:

1. What factors influence your intentions to stay at your organisation for the next 12 months?
2. What factors influence your intentions to stay at your organisation for the next 5 years?

## **Results**

### *Generational differences in Short-Term Retention*

Employees from a veteran generation reported three motivators to their short term retention. These were the work itself, the attractiveness of work hours, and the financial need to stay. This was evidenced in responses such as, "I really enjoy my work as it is so enjoyable", "The shifts and the hours I am rostered" and "Personal Financial reasons" as motivators to short-term retention. Baby Boomer employees reported the work itself, the financial need to stay, the people they work with, job stability and security, management support and organisation support as key factors in their short term retention. This was evidenced in responses such as "I just enjoy the work and contact with clients and with the teams in the office", "(I) cannot afford to leave", "(Be)cause I am permanent and (I) do not want to go back to being casual" "Great management and support", and, "support from company and supervisors" Generation X employees reported three motivators that influenced their short-term retention. These were: the people they work with,

the work itself and management support. This was evidenced in participants responses that ranged from “My direct supervisor and team of fellow workers”, “The satisfaction and enjoyment I get out of my job”, and “Management look after their staff well.” Generation Y employees identified four key motivators. These were: the people they work with, the work itself, the financial need to stay and career opportunities provided within the organisation through training and development and promotion opportunities. Responses to this question from this generation ranged from “staff all very helpful and caring”, “I love what I’m doing, it’s my passion working in the aged care”, “need money to survive” and “job opportunities and promotion opportunities”.

#### *Generational differences in Long-Term Retention*

The Veteran Generation reported three motivators to their long term retention. These were: the job itself, the financial need to continue and job security/stability. Specifically, participants reported that “I really enjoy my work as it is so rewarding”, “personal financial needs”, and “I feel my job is secure” as long term retention motivations. The Baby Boomer Generation reported four factors as important to their long-term retention. These were: the financial need to continue working, job security and stability, management support and the work itself. This was evidenced through responses that ranged from “Need income to support myself”, “ongoing contract, long term position”, “great support and encouragement” , to “I am enjoying the work and at the moment (I am) not thinking of going anywhere.” Generation X employees reported four factors as important to their long-term retention. These were the people they work with, the work itself, the organisation they work for, and the career opportunities provided within the organisation through training and development and promotion opportunities. Generation Y employees reported three factors as important to their long-term retention. These were the career opportunities provided within the organisation through training and development and promotion opportunities, the financial need to continue working, and the work itself. This was evidenced through responses such as “Wanting to become a nurse” , “need money to live that’s why we work” and “it’s a fantastic job, love the clients, love the work.”

#### **Summary & Implication to Policy and Practice**

This study set out to explore generational differences in the factors that influence aged care employees’ short term and long term intentions to stay at their organisations within the context of Aged Care organisations. This study found similarities and differences between the generations in both their short term and long term retention motivators. Upon examining the short term motivators for the veteran generation, it was found that these employees were motivated by the work itself, work hours and financial need to work. The financial need to work and the work itself were also motivators for both Generation Y and Baby Boomers, however, no other generation reported the attractiveness of the work hours as a reason to stay in the short term. In addition to these factors, the Baby Boomer generation also reported job stability and security, management and organisational support as important to their short term retention. Indicating that while pay is still a motivator, organisations can influence older employees’ short term retention through ensuring adequate support and encouragement is provided by middle and upper management. In contrast, both Generation X and Y employees reported that the people they work with and the work itself were important to their retention. Generation X also reported the influence of management support on their decision, and Generation Y employees reported the influence that career opportunities had on their short term retention.

This study also found that the job itself and the financial need to continue working were also motivations for long term retention of the Veteran Generation. However, job stability and security was an additional retention motivation in the long term by this generation. Similarly, for Baby Boomer employees, their long-term retention motives were the same as their short term retention motives, with the exception of organisational support which was found key in their short term retention, but not long term. For Generation X employees, the people they work with and the work itself were important for their long-term retention, however, this generation also considered the career opportunities provided by the organisation in their intention to stay long-term. Similarly, Generation Y reported career opportunities as important to their long term retention at their organisation, as well as the work itself and financial need to continue working. These findings suggest that older generations are motivated in the short and long term by finances, job security and stability and organisation/supervisor support over career opportunities. Whereas, the results for the younger employees suggest that clear career opportunities and support from their organisation and supervisors is required.

In conclusion, the results of this study suggest that there are generational differences in the factors that influence employees’ intentions to stay with an organisation over the short and long term differ, although there are also similarities as well to take into account. Consequently, organisations should focus on

providing clear career pathways, financial and job security to their employees, and focus on developing a supportive culture within their organisation in order to retain their employees in both the short and long term.

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