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**A Comparison of the Work Ethic Between Generation X and  
Generation Y**

**By**

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#### **Introduction**

Amongst the generations there are numerous differences in the ways in which individuals within Generation X and Generation Y enter the workforce. When analyzing Generation X and Generation Y, academic studies have shown that there are several historical events and external factors that shaped the characteristics and mentality of these individuals entering the workforce. These generational experiences shape how individuals react to situations in the work place.

In this paper, I will review the long-term impact of Generation X and Generation Y on the current workforce. The differences between these generations is significant, and is causing Human Resource Departments to adapt quickly. Corporations are developing new competitive strategies to address these generational differences, and the Human Resources Department is becoming a focal point for employee satisfaction.

Lastly, I will touch on the topics of the change in work ethic and the definition of the "American Dream". These changes greatly affect how Generation X and Generation Y interact in the work force today. Human Resources Departments must work harder to bridge the gap between these two generations for a more unified work place.

#### **Characteristics of Generations X**

Generation X consists of individuals born from the year 1960 to the year of 1980. According to, “Generation X: Time Is on Your Side” Generation Xers are the smallest generation compared to Generation Y and Baby Boomers. There are currently 66 million Generation Xers in the U.S., compared to 74 million Baby Boomers and 71 million Millennials (Lankford). This generation has experienced the Watergate Scandal, the creation of the first computer, several corporate layoffs within the workforce and the decline of the stock market. These historical events influenced the way in which individuals of Generation X have entered and performed within the workforce.

One of the many historical events throughout in the 1970’s that has influenced Generation Xers is the Watergate Scandal of 1972. This scandal demonstrates how a presidential leader abused his powers and duties as President (Tanner). This completely changed the way in which the nation viewed the U.S Government and damaged the trust citizens had for officials. Despite the long-lasting effects that the Watergate Scandal, the creation of the first computer began to influence Generation Xers work ethic. The year of 1977 marked the turning point of the business world with the introduction of the first personal computer from three major companies- Apple, Commodore Business Machines and Radio Shack (Campbell-Kelly). The creation of the computer had a major impact on society and changed the dynamic of the workplace. Companies and their colleagues were now able to research and store data just from a click of a button (Campbell-Kelly). Following the creation of the computer came the World Wide Web (Campbell-Kelly). The rise of the internet expedited the rate in which employees accomplished tasks and business interacted with one another. This technological advancement transformed how employees and companies worked alongside one another. The technology revolutionized the individuals work habits and ability to fulfill assignments.

The economic recession in 1974 influenced Generation Xers work ethic greatly. This was a challenging time for individuals within the workforce due the rise of technological advancements. These improvements also resulted in several companies suddenly laying off employees and made the job market very competitive. Generation Xer's had to change their individualistic and self-reliant mentality in order to adapt and adjust their lifestyles to remain within the workforce. Employees had to adapt their skills to the new technology to remain in the workforce.

The stock market crash of 1987 was one of the worst economic events in world history (Bernhardt). This crash was a, "chain reaction of market distress sent global stock exchanges plummeting in a matter of hours. In the United States, the Dow Jones Industrial Average (DJIA) dropped 22.6 percent in a single trading session, a loss that remains the largest one-day stock market decline in history" (Bernhardt). This was the sharpest market downward spiral in the United States since the great depression (Bernhardt). Luckily, stock markets quickly recovered most of their Black Monday losses. According to Donald Bernhardt and Marshall Eckblad, "in just two trading sessions, the DJIA gained back 288 points, or 57 percent, of the total Black Monday downturn" (Bernhardt). Fortunately, less than two years later U.S stock markets surpassed their pre-crash highs.

These historical events previously mentioned, shaped numerous characteristics of Generation Xers. This generation is characterized as being individualistic, flexible, technology accessible and values a work life balance (Kane). According to, "Learn the Common Characteristics of Generation X Professionals " Generation Xers are individualistic because they grew up in a household where both parents worked. This generation was exposed to the independence of their parents, as they demonstrated the importance of being resourceful and self-

sufficient. Generation Xers also value freedom and responsibility in the workplace (Kane). Unfortunately, many Generation Xers have experienced their hard-working parents lose their hard-earned positions (Kane). Due to these childhood experiences, this generation is willing to be more open to changing his or her current lifestyle for a new job. Generation Xers are also technologically accessible because they have grown up with technology as it has evolved. As a result, Generation Xers are more comfortable with using computers, cell phones, laptops, and other programs that are needed within the workplace compared to Baby Boomers. Lastly, Generation Xers desire to have a work life balance. Unlike other generations, “Xers work to live rather than live to work” (Kane). Therefore, as professionals this generation appreciates the work-hard, play-hard mentality.

### **Characteristics of Generation Y**

Generation Y consists of individuals born from the year 1980 to the year of 2000 also referred to as “Millennials”. This generational cohort is currently the largest segment of the workforce today and is growing at a rapid pace. On track to potentially be 50 percent of the U.S workforce within the next two years Millennials could become 75 percent of the workforce by the year 2030, according to the U.S Bureau of Labor Statistics (Emmons). This generation was born in a significant time of U.S history. During the adolescent years of this generation, several Millennials experienced the development of neoliberalism and capitalism as well as the tragedy of September 11<sup>th</sup>, 2001. In addition, the stock market crashed in 2008.

In “The Neoliberal Challenge, what is Neoliberalism” Dag Einar Thorsen discusses his views of neoliberalism. Thorsen states that neoliberalism is, “a loosely demarcated set of political beliefs which most prominently and prototypically include the conviction that the only legitimate purpose of the state is to safeguard individual liberty, understood as a sort of

mercantile liberty for individuals and corporations... in a belief that the state ought to be minimal or at least drastically reduced in strength and size” (Thorsen). These similarities emphasize the importance of holding responsibilities in the hands of the people rather than being regulated by the government.

Several economists like Francis Fukuyama, have discussed their views on capitalism. It has promoted internal and external competition amongst employees and other companies (Fukuyama). Capitalism has encouraged internal competition within a company by influencing an individual’s self-awareness and self-consciousness. The purpose of internal competition is to motivate individuals to become more autonomous within the “material world” against their peers or co-workers (Fukuyama). Within these types of businesses, individuals are self-managing, making important corporate decisions and determining how to properly maximize the profits of their businesses without government regulation (Fukuyama). This nonrestrictive mentality influences an individual’s work ethic and moral qualities. According to Fukuyama, career choice, and success having no limits (Fukuyama).

The mentality and work ethic of Millennials has also been influenced by historical tragedies such as September 11<sup>th</sup>, 2001 in New York City, Washington D.C and Shanksville, Pennsylvania. According to History.com, “On September 11, 2001, 19 militants associated with the Islamic extremist group al Qaeda hijacked four airplanes and carried out suicide attacks against targets in the United States” (Angerer). Followed by the loss of almost 3,000 lives that day due to the multiple plane crashes into the World Trade Center Towers, the Pentagon and open fields. September 11<sup>th</sup>, 2001 is remembered as the first terrorist attack that has taken place in front of the eyes of this generation. The Millennials looked for strong leadership from

President George W. Bush. U.S officials took major initiatives to combat terrorism. As a country Millennials had to mourn the loss off family and friends.

Seven years after 9/11, the stock market crashed on September 29<sup>th</sup>, 2008. Unfortunately, this crash occurred due to numerous prior events within the stock market. The stock market began to rapidly decline, on Monday September 15<sup>th</sup>, 2008 when Lehman Brothers declared bankruptcy. This led to the Dow Jones Industrial Average to drop drastically (Amadeo). Although Congress passed the bailout bill in October of 2008, the Labor Department reported that the economy had already lost approximately 159,000 jobs up until this point. These events significantly impacted the way in which Millennials viewed lifestyle and employment status. They became skeptical of the value of working for large companies.

These historical events that have shaped the way in which Millennials are characterized. According to, “Learn About the Common Characteristics of Millennial Professionals” Millennials are characterized as being, tech-savvy, family–centric, achievement and team oriented in addition to often job-hopping (Kane). Generation Y is commonly characterized as tech-savvy because Millennials grew up relying on technology. These professionals believe that they need their technological resources to perform better in their jobs. This generational does not know a life prior to having access to these devices. Therefore, it can be very difficult for Millennials to disconnect from social media or to communicate with one another without using technological devices (Kane).

Generation Y is also very family centric. For instance, Millennials are more willing to trade in their high paying jobs for a more flexible schedule and work-life balance. They prioritize family over work and would rather be home to spend time with their loved ones (Kane). In

addition to being family-centric, Millennials are very achievement-oriented. They are working professionals who are confident, ambitious and have high expectations of others. This generation often enjoys seeking new challenges and are not afraid to question authority (Kane). Millennials are also very passionate and strive to achieve greatness within their work. They value teamwork and enjoy receiving feedback and guidance from their colleagues, to complete a task or to achieve a desirable goal. This has greatly influenced how Human Resources Departments work to bridge the current generational gap. Even though Millennials are hardworking, achievement and team oriented, this generation is prone to frequent job-hopping (Kane). Studies have shown that this generation often presents a resume with numerous work experiences but, their intentions to stay with a company is often short term (Kane). Therefore, it is common for a Millennial to stay with a firm for only two or three years before moving to another job. Millennials are professionals who are always looking for the next or better opportunity. This can be challenging for Human Resources recruiters to find Millennials who are willing to stay in a position long-term.

### **Contrasts of Generations X and Y**

Generation X and Generation Y have experienced multiple historical events that have influenced the formation of these characteristics previously discussed. These differences have led to the formation of a generational gap. This is a natural divide between generations in terms of their attitudes and beliefs based on his or her life experiences (Meriac). To further and better understand this generational gap, many studies have been constructed to determine if these prominent events, impact a generational cohort's work ethic. Work ethic is defined as, "a belief in the moral benefit and importance of work and its inherent ability to strengthen character" (Collins). According to John P. Meriac, his studies of "Generational Differences in Work Ethic:



An Examination of Measurement Equivalence”, focuses on seven dimensions of work ethic between multiple generations including self-reliance, morality/ethics, leisure, hard work, centrality of work, wasted time and delay of gratification.

Academic studies have shown that “Millennials were significantly higher than Generation Xers on three dimensions-morality/ethics, hard work, and delay of gratification” (Meriac). Generation Xers have a lower level of work ethic compared to Generation Y. The data within this study also shows that Millennials have different and stronger qualities than Generation Xers. According to John Meriac, this may be because, “Generation Xers were exposed to a much different environment that may have fostered different expectations regarding the results of their efforts” (Meriac). The results for categories-morality/ethics, hard work, and delay of gratification were different compared to other generations. Simply stated, Millennials are impatient.

Another substantial factor that has influenced the differences in an individual’s work ethic is how generations define the American Dream. Generation Xer’s grew up in a time of emerging technology and institutional uncertainty and are strongly motivated by the idea of living the American Dream (David). Despite this generation experiencing several life challenges, these individuals have learned to rely on themselves to reach success within their careers. Generation Xers believe that living the American Dream consists of, owning a home, having a financially secure retirement, ample time for leisure, being able to send one’s children to college and to become wealthy (David). Therefore, Generation Xers are passionate about working with their Human Resource Departments to make sure they are achieving these desirable goals.

The idea of living the American Dream for Generation Xer’s has minimally changed over the years. Millennials have created their own ideas of what it means to live the American Dream.

For example, Millennials are mainly focused on the benefits that a company offers, rather than the job itself. According to the article, “Recruiting Generation Y Worth Ethic Changes, But Salary, Benefits Goals Same as Usual” Millennials desire to have a flexible work schedule, an ability to have a work-life balance and the option of work virtually from home (Randolph). Millennials not only need these benefits to succeed but, also to have the motivation to complete tasks at an accelerated pace.

### **Work Ethic-Generation X and Y**

Despite the generational differences of what it means to live the American Dream, Millennials are focused on the correlation of labor and leisure (Markovits). According to David Markovits pod cast of, “When Meritocracy Wins, Everybody Loses” the correlation of labor and leisure has changed throughout history. The emphasis on the amount of time spent at work has changed. For instance, Markovits explains how Millennials prefer to post on social media about what he or she is doing throughout the day regardless if they are at work or not. Alternatively, Generation Xers, are willing to work hard and put in numerous hours at the office in order to be successful. The work ethic mentality between these two generations is different.

Prior to the twentieth century, children were taught from a young age to develop the skills that were needed in order to prepare them for the real world. Overtime, the emphasis on this mentality has changed due to the improvements of productive technology and decrease in labor costs for companies (Harris). As a result of the numerous improvements, workers are now getting paid smaller portions of the value they create as the productivity of the company increases. Therefore, this is affecting how Human Resource Departments recruit and hire new potential candidates.

Due to the increase of productivity and decrease in labor costs, there has been an increase in competition within the job market (Harris). This has changed and shaped the ways in which people and companies view the importance of education. It is evident that recruiters today are looking for potential job candidates with more than just a college degree. Due to the importance of education, this has led to several challenges for potential job candidates within the workforce who are looking to receive and compete for a “good job” (Harris). Due to the competitiveness of workforce and the focus on education, many companies explain to their employees that they may be replaced by an individual with higher education and technological skills. The change increases the pressure on Generation Xers as Millennials enter the workforce.

### **History and Changes of Human Resources**

The Department of Human Resources prior to the 19<sup>th</sup> century was a department in charge of enforcing the rules and “hiring or firing people”, while playing a minimal role in an employee’s day to day life. Today, however, Human Resources Departments are currently one of the core departments within a company. They aid employees by offering a variety of employee activities, which focuses on an employee’s engagement, training, benefits and well-being. Human Resources Department employees also stride toward helping their colleagues maintain a positive working environment and a sense of community within the workplace. Human Resources Departments have been impacted by these necessities, skills and knowledge that Millennials have brought into the workforce. As a result, this generation has changed the ways in which some areas within Human Resources are managed. Human Resources Departments have developed different ways in which they provide feedback, engage their employees, and hire new potential candidates.

Human Resources Departments today, provide feedback by evaluating their colleagues frequently based on work ethic and performance. Due to the frequency of feedback, this has encouraged many companies today to, “let go of the traditional annual review, for instance, in favor of frequent interactions to keep the conversation current, helping the employee change course-or learn how well they are doing-as quickly as possible” (Staff-Writers). This is a substantial shift that is occurring for several Human Resources Departments who are emphasizing the importance of feedback toward Millennials. This feedback cycle is also important because it has allowed employees to feel a sense of contribution to the company when experiencing a positive feedback from their colleagues. When managers have strong relationships with Millennials, there is evidence supporting that, this has led to an increase in an employee’s loyalty and engagement to a company. Therefore, the relationship formed between a manager and their colleagues of Generation Y is crucial.

Another significant change within Human Resources Departments is, what companies are looking for when recruiting and hiring potential new candidates. Today, Millennials are entering the work force with several years of education in addition to, a significant amount of advanced technological skills. These are two significant factors that are stronger than any other generation within the workforce today. This has influenced companies to focus more on a potential new candidate’s education, work experience, and technological skills compared to other generations.

These changes not only have led application pools to become more competitive, and it has also changed how companies are recruiting and hiring potential new candidates. Due to numerous technological advancements, today more companies are deciding to hire potential new job candidates by, “creating a detailed website that offers features a “careers” section...allowing candidates to learn about the company and the position. In addition to offering online

applications, job boards and social media platforms, potential employees can fill out and submit applications online (Staff-Writers). After these online applications are submitted, recruiters can hold phone calls, virtual interviews and standardized testing. By performing these types of hiring processes, this eliminates the need for companies to hire people to hold face to face interviews or personal interviews in general (Staff-Writers). Technology has changed the ways in which Human Resources Departments recruit and hire potential new candidates.

### **Conclusion**

Both generations have experienced societal achievements and hardships that have influenced the development of individuals. Their life experiences have influenced the ideologies in terms of their values, morals, and personalities. However, there is a need for individuals to develop an understanding and acceptance toward people in terms of the time in which they entered the workforce. Due to these generational differences, Human Resources Departments have realized how important this understanding and acceptance between colleagues has become.

Companies today are putting a lot of time and effort into their Human Resources Departments to minimize the generational gap. Human Resources have evolved by implementing employee engagement strategies, providing feedback and adapting to the generational needs as they are brought into the company. The companies that successfully address these generational needs will improve their employee retention and satisfaction.

What does this mean for the future? It is evident that the generational gap occurs because the world is constantly changing. Many companies today hope to quickly understand and prepare for the next generation, Generation Z, as they soon enter the workforce.

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