New kids on the block; new generations of workers may change the way we perceive work and workplace

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ABSTRACT

Rationale for our research is the upcoming war for talent (Ware & Grantham, 2003), caused by a diminishing workforce and the scarcity of students in facility management degree programs (outside the Netherlands). In order to retain (future) workers, a good scope of workers' needs is required. Age-related differentiation regarding work and workspace is suggested by several researchers such as Sladek (2009) and Howe and Strauss (2007). This study sets out to explore generational differences in facility management employees' expectations of their organizations and their workspace and aims to establish links with commitment to organizations, job satisfaction, performance, and turnover intention. To this end, an online survey was sent out to members of a facility management organization employed in a wide range of companies. Results do indicate generational differences in a number of aspects of the psychological contract and suggest that a more generation-conscious management style is required. Furthermore, though preferred workspace did not differ between generations' satisfaction, the data provide insights into the way we need to arrange work and workspace to leverage the knowledge and talents of present and future facility managers and the customers they serve.

Keywords: psychological contract, commitment, turnover intention, workspace, job satisfaction, performance, generations, facility management industry

INTRODUCTION

The U.S. is expected to experience a shortage of labor of about 10 million people by the year 2015 (CEL & Associates, 2003). This shortage is caused by demographics. After WWII birth rates increased in the US (and Europe), creating the Baby Boomer generation. After 1965 the birth rate started to decline in the US (1970 in the Netherlands). Though every year a new group of employees enters the work force, the number of retiring employees will start to outnumber the entrants (in 2015 in the US). Therefore, the FM profession is forecasted to experience a shortage of skilled labor in the near future, due to these demographics and to the growth of the FM market (IFMA, 2007). This shortage is enhanced by staff turnover rates. In industries like real estate, health care and hospitality, the average turnover is 33% for all levels of the organizational chart (Cotts et al., 2009; Dychtwald et al., 2006; Philips & Addicks, 2010). Another factor that influences the number of skilled FM professionals in the work force is the number of graduates in FM. The Netherlands have the largest number of FM graduates per year worldwide (Lewis & Teicholz, 2009). However, like in the US, Baby boomers are reaching retirement age from 2011 on. And even though enrollment in universities is increasing, as is labor participation (with 5% between 1998 and 2008), these trends cannot compensate lower birthrates since 1970: the work force is prognosed to decrease (Centraal Bureau voor Statistiek, 2010).

In the tightening labor market, the Dutch FM industry, with a volume of 40 billion Euros in 2007, over 400.000 employees and 24.000 contractors (De Nederlandse facility management markt, 2008) will face stronger competition from other industries for new talent (Tulgan, 2003; KPMG, 2007), forcing employers to compete for the attraction and retention of manpower (Capelli, 2003; Dona, 2009; Jackson & Alvarez, 1992). One factor that will positively influence the size of the FM workforce is lowering turnover. Though turnover creates room to recruit fresh knowledge and ideas into a company, it also has strong financial consequences for the concerned organizations, including costs for recruitment and training and lower efficiency of new workers. These costs can amount up to 1.5 annual salaries for each replaced employee (Hinkin & Tracey, 2000). Also, high turnover rates lead to a knowledge drain, which may have consequences for long-term innovation capacities of organizations. Previous research indicates that staff turnover is related to low levels of organizational commitment and high levels of turnover intention (Lub et al., 1998; Blomme et al., 2010). Psychological contract, and in particular psychological contract breach, is a well-known predictor for commitment as well as turnover intention (Blomme et al., 2010; Coyle-Shapiro et al., 2004).

One of the factors that influences commitment, and which is not included in psychological contract, is the quality of workspace (McGuire & McLaren, 2007; Van der Voordt, 2004). Workspace research is a major issue within facility management, especially since the introduction of alternative officing. Including activity-setting environments, non-territorial offices, home-based telecommuting, and team environments, alternative officing is often introduced as a cost reducing measure. In practice, employees become mobile within the office, by sharing desks, in activity-based settings. Laptops, wifi and mobile phones enable virtual officing, such as home officing and social meeting places (Becker, 1999). However, alternative officing not only changes the design of office buildings,

it also has an impact on e.g. job satisfaction (Batenburg & Van der Voordt, 2008; Croon et al., 2005). Satisfaction with the workplace is positively associated with job satisfaction, according to Lee (2006), and job satisfaction is in its turn related to (perceived) productivity (Maarleveld et al., 2009; Haynes, 2008). And McGuire and McLaren (2007) conclude that that work environment is significantly related to employee commitment.

According to Van der Voordt (2004) different age groups may react differently to office innovation. One might even assume that these contemporary kinds of workspace, like virtual officing, play a role in attracting and retaining top talent (Earle, 2003), especially Generation Y, the young generation of workers with the required technological skills. Even though the 'new way of working' is a hot debate at the moment (Ware & Grantham, 2003), surprisingly little research has been done into differences in workspace preferences (Van Baalen et al., 2007; Puybaraud et al., 2010) as well as more psychological constructs like commitment and psychological contract between different generations (Barron, 2008; Chen & Choi, 2008, Gursoy et al., 2008).

Being responsible for the workspace and services, facility managers need information on intergenerational preferences for workspace in its broadest sense, for the benefit of employees of the FM department as well as the FM department's customers. Therefore, this paper explores the psychological contract as well as workspace preferences among different generations of employees in facility management.

LITERATURE
The foundations for modern Generation Theory have been laid by Mannheim (1972), who claims that a generation is formed by "a group of people in a similar social location experiencing similar social events". Such a "group" shares similar experiences, they form specific value sets in the formative phase in their lives (the ages of 16-25), which become distinct for their generation for the rest of their lives. According to Meglino and Ravlin (1998) these values specify an individual's personal beliefs regarding how one 'should' or 'ought' to behave in social environments. These value sets influence their work values and expectations of their employers (Chen & Choi, 2008).

Furthermore, Mannheim (1972) suggests that the more critical life events take place, or the more dynamic the environment in which a generation grows up, the greater the differences will be with respect to other generations. It is suggested that in dynamic environments, older generations have more difficulty adapting to these changes, whilst new generations, still in their formative phase, adapt more easily to changes.

The existence of the phenomenon of generations has been a topic of hot debate in social sciences. Core issues for opponents of generational thinking lie with the interdependence between age or life-stage effects and generational effects, as well as tenure or experience (Giancola, 2006; De Meuse et al., 2001; Macky et al., 2008). However, several authors have verified that generational differences do exist (Lancaster & Stillman, 2005; Howe & Strauss, 1991, 2007; Bontekoning, 2007; Dries, Pepermans, & de Kerpel, 2008). Although Howe and Strauss (1991, 2007) suggest that early values and expectations may alter as people move into a new life-stage, they demonstrate that at the same time each generation does so in its own way. The latter supports Mannheim's hypothesis that generational values are determined during a formative phase. Furthermore, Kupperschmidt (2000) claims that generations have *"relatively enduring values"* and that they develop generational characteristics within their cohort, apart from individual differences that may exist.

In today's workplace a distinction is often made between four generations, generally known as Traditionalists (born <1945), Baby Boomers (born 1945-1964), Generation X (born 1965-1980) and Generation Y (born after 1980) (Eisner, 2005). For the purpose of this article the focus will be on the last three generations, namely the Baby Boomers, Generation X and Generation Y as these form the vast majority of the workforce in the facility management industry. Although some variation exists on the exact naming of these generations and the classified start and end dates of each of these generations, there is a general descriptive consensus among academics and practitioners regarding these generations (Eisner, 2005; Martin, 2005; Martin & Tulgan, 2001; Raines, 2003).

Baby Boomers (born 1945-1964)
Baby Boomers are currently a large generation in the workforce, although they will be overtaken by Generation Y over the next ten years. The current literature (Smola & Sutton, 2002; Eisner, 2005; Lancaster & Stillman, 2005; Kupperschmidt, 2000) suggests that Baby Boomer employees value job security and a stable work environment. Other descriptions of this generation include loyalty to an organization, idealism and ambition. They are also suggested to be focused on consensus building and mentoring. Lastly, they are suggested to be very sensitive to status (Kupperschmidt, 2000).

Generation X (born 1965-1980)
People belonging to Generation X are generally characterized as cynical, pessimistic and individualist (Smola & Sutton, 2002; Kupperschmidt, 2000). They are also considered to be entrepreneurial, comfortable with change, and

less loyal to an organization. Instead, they are viewed as independent and, as a result of an economic crisis in their formative years, more likely to leave a job in search of more challenging options and higher salaries. They are said to have a lack of respect for authority (Howe & Strauss, 2007) and a strong focus on, and difficulties dealing with, work-life balance.

Table 1: Descriptions of Generations (Eisner 2005; Dries, Pepermans, de Kerpel, 2008).

Generation (years after Eisner, 2005)	Formative experience	General values/qualities	Work values
Baby Boomers 1945-1964	Post-war prosperity Largest generation Anything is possible, prosperity	Loyal, tolerant, creative, self-absorbed, optimistic, want it all, idealistic	Workaholic, innovative, advancement, materialism
Generation X 1965-1980	Globalization, economic crisis, latchkey kids, divorces, downsizing	Skeptical, individualistic, less loyal, entrepreneurial, flexible	Materialism, balance, self-supporting, work-life balance, fun, want constant feedback and rewards
Generation Y Later than 1980	Prosperity, uncertainty, terrorism, structured life/live at home, internet, strong social pressure	Balance, collectivism, confidence, civic mindedness, learning, shared norms	Passion, demand respect, work to live, work together, structure, challenge, look to have an impact, want instant feedback and rewards

Generation Y (born >1980)
This generation is described as being very comfortable with change and less attached to job security (Tulgan, 2003; Eisner, 2005). Generation Y is further typified as valuing skill development and enjoying challenging work. Comparable to Baby Boomers, they are also considered to be optimistic, driven, goal oriented and demanding of the work environment (Boschma & Groen, 2007; Smola & Sutton, 2002). Also, they are viewed as enjoying collective action.

Given that the demographic mix of generations is shifting in the workforce, it is important to explore how new generations entering the workforce with new expectations and new work values will impact facility management industry, both from an employer and employee standpoint. Although research on this topic is scarce, a study by Chen and Choi (2008) focused on generational differences in work values in a US hospitality industry setting and also looked at what work values were most important to managers. Using a ranking method, they identified comfort and security, professional growth, personal growth, and work environment as the four most important value dimensions for hospitality managers. Out of these four, dimensions of personal growth and work environment also scored significantly different when measuring between generations. Although these work values do give some indications of generational differences, the body of research is too limited to draw any definite conclusions. Also, work values may be at a deeper cognitive level of tacit assumptions and hard to measure correctly with quantitative means (Schein, 2004). A larger body of knowledge is however available in psychological contract research. The concept of psychological contract is often based on and in fact originates in literature on work values and job satisfaction (Kotter, 1973; Lofquist & Dawis, 1969). As a closely related theoretical construct, the psychological contract may provide further insight into what different generations of workers expect from their employers. Moreover, the understanding of staff turnover, an important outcome variable for hospitality business in relation to the employer-employee relationship, is approached by many academics from the perspective of the psychological contract (Rousseau, 1989; Ten Brink, 2004; Tekleab & Taylor, 2003).

Many authors have described a shift in the content of the psychological contract over the past forty years, mainly in relation to societal shifts (e.g. De Meuse & Tornow, 1990; Ten Brink, 2004). Before the 1980's, most employees were likely to experience a relatively stable relationship with their employers; job security and promotion were offered in return for hard work and loyalty. Since then, organizations have increasingly had to deal with changing markets and competition. As a result, organizations became more flexible; for employees, lifetime employment was traded in for employability (Herriot & Pemberton, 1996; Hiltrop, 1996). This has significantly altered the dynamics of the employer-employee relationship. New generations are therefore likely to approach their employers with different expectations and may show lower levels of organizational commitment Also, in line with Thompson and Bunderson's (2003) suggestion, these expectations may move beyond the psychological contract to include an ideological contract in which norms and values that the employee holds and those of the organization are compared and evaluated. Blau (1964, p. 239) in his seminal work already suggests the possible importance of

ideological rewards to the exchange relationship between an employee and his/her organization. If this is the case, an employees' perception of the organization's obligation may not be solely grounded on personal interaction with the organization, but also on the perception that an organization has taken or abandoned certain principles important to the employee (Thompson & Bunderson, 2003).

Morrison and Robinson (1997, p.229) define the psychological contract as "an employee's beliefs about the reciprocal obligation between that employee and his or her organization, where these obligations are based on perceived promises and not necessarily recognized by agents of the organization." In other words, employees have certain beliefs about what an employer should offer (employer obligations, and what he or she should offer in return (employee obligations). Failure to meet these implicit obligations will lead to breach of contract (also referred to as violation of psychological contract), resulting in lowered organizational commitment and lowered performance of workers. A related construct, psychological contract fulfillment is also suggested to lead to increased organizational commitment and increased performance (Conway & Briner, 2005; Rousseau, 1989).

The relationship between psychological contract and commitment has been well documented in literature (Coyle-Shapiro et al., 2004; Morrison & Robinson, 1997; Robinson & Rousseau, 1994; Ten Brink, 2004). According to Meyer, Allen and Smith (1993) commitment is a psychological state that characterizes the employee's relationship with the organization. Three types of commitment are generally distinguished; affective, normative, and continuance. Affective commitment is defined as "the employee's emotional attachment to, identification with, and involvement in the organization", normative commitment refers to "a feeling of obligation with the organization" and continuance commitment is defined as "an awareness of the costs associated with leaving the organization" (Meyer & Allen, 1991, p.67). As normative commitment correlates strongly with affective commitment, and the latter seems to be more strongly related to a range of outcome measures (McElroy, 2001; Meyer & Herscovitch, 2001; Meyer et al., 2002), normative commitment was excluded from this study. Affective and, to a lesser extent continuance commitment, have been shown to be strongly related to turnover intention, job performance and actual turnover (Jaros, 1997; McElroy, 2001; Meyer & Herscovitch, 2001).

As mentioned in the previous paragraph, commitment has been related to a range of outcome measures. In particular, turnover intention and job performance are important for this study. If indeed a shift has taken place in the workplace and job security has been replaced by employability, one would expect not only differences in the content of the psychological contract. In fact, if psychological contract breach takes place or obligations are not met, employees seem to act in response. If generations do indeed have different work values, they could also hypothetically have different expectations of employer and employee obligations, as well as different levels of commitment and turnover intention.

Research on office workspace is not focused on psychological contract, but does e.g. report on job satisfaction and performance; the latter often being self-reported performance, due to the problematic quantification of knowledge work. Job satisfaction is determined by a number of factors, such as work content, extrinsic rewards, opportunities for learning and promotion, relationship with supervisor and colleagues (Argyle, 1989), but also age. The effect of age can be explained by generational differences in values and education, but also as a career effect. Generally speaking, job satisfaction and age show a positive correlation (see e.g. Okpara, 2004; Rhodes, 1983; Chartered Institute of Personnel Development, 2010). Job satisfaction has been shown to be related to productivity or performance. Many studies into this correlation have reported average correlations of only =.15. However, values of .44 or higher were reported for supervisory or professional workers, using self, peer or supervisory ratings of performance (Argyle, 1989; Iaffaldano & Muchinsky (1985).

This work refers largely to knowledge work requiring an office setting. The kind of office needed depends on employees' activities. Gensler (2008) proposes that work requires four work modes: focus (concentrated work), collaboration, learning and socializing. Employees of an average company in their research spend 50% of their time time in focus mode. The various work modes require different activity settings (Becker, 1999). Whereas 'focus' requires workspace with little distraction (private offices, virtual officing, or working from home), for collaborative work team spaces, breakout spaces or meeting rooms are required. Social meeting spaces can be used for both kinds of work.

Generation Y is said to be a far more social generation than older groups. They are fervent users of social media, and spend much more time online, communicating with their network. They attach more value to social interactions (Boschma & Groen, (2005). That could indicate that they value group cohesion and team work more than older generations. Lee and Brand (2005) report that high group cohesiveness coincides with high job satisfaction. If indeed Generation Y some much values social interaction, there should be a positive correlation between group cohesiveness and job satisfaction as that is their favourite work mode. It would also mean that they prefer those work spaces that allow collaborative work: team rooms, rooms for more than 3 persons, but also home officing and social meeting spaces provided that adequate technology is available.

In a survey initiated by Johnson Control, 'Oxygenz' (Puybaraud et al., 2010), respondents were asked to describe their workspace preferences. Prime result is the preference for a personal(ized) workspace. Despite the trend to introduce non-territorial officing, the majority of generation Y (70% overall, even 80% in the US) is territorial and does not wish to share a desk, let alone exchange their private desk for a hot desk (18%). On the other hand, they also have the highest demand for collaborative workspace, specifically dedicated team workspace and formal meeting areas, compared to other generations. Both ambiance and atmosphere, and people, are the two factors that stimulate creativity and productivity according to Generation Y (and adequate technology). This confirms the need for team rooms and the importance of the social aspects of workspace, but also stresses that Generation Y is not yet prepared to become so involved in the social structure at work that they are willing to relinquish their office territory, their private desk. That would indicate that they have the same need for personalization of their workspace as reported for employees in general (Brunia & Hartjes-Gosselink, 2009). Next to privacy, the amount of auditive and visual distraction is an often-reported complaint, especially in open offices. Generation Y's preference for group collaboration and multitasking could indicate that they are less distracted by auditive and visual clues in their immediate surroundings. The same argument for group cohesiveness could apply to distraction: Generation Y's social nature, preference for teamwork, and for multitasking predicts that they are less hindered by sights and sounds in their surroundings.

To summarize, the purpose of this study is to explore the psychological contract of FM employees of different generations and to identify the potential impact this may have on outcome variables such as affective and continuance commitment, turnover intention, job satisfaction and workspace satisfaction. Our research questions therefore are:
1. Do different generations have different beliefs about employer and employee obligations?
Based on popular literature, we would expect to see differences: Baby-Boomers preferring job security, Generation X workers valuing work-life balance and Generation Y specifically looking for stimulation in their jobs, including developmental opportunities and room to grow.
2. What are the relationships between psychological contract fulfillment, commitment, turnover intention and employer obligations?
3. Do younger generations show lower levels of commitment? Given the literature, we would expect especially Generation Y to have lower levels of both affective and continuance commitment.
4. Do younger generations show higher turnover intention? In line with lowered commitment, one would expect Generation Y to have lower thresholds to leave their jobs.
5. Do younger generations feel lower obligations towards their employers (both in-role (described tasks) and extra-role (performing above and beyond the job description)?
6. Do younger generations show different preferences for their work environment?

METHOD
A digital questionnaire consisted of measures for psychological contract, commitment and turnover intention. All scales used were taken from validated questionnaires. The NTPCQ was used to measure psychological contract: employer obligations (organizational policies, social atmosphere, job content, rewards, career development, and work-life balance), fulfillment of psychological contract and employee obligations (in- and extra-role) (Freese & Schalk, 2008). One dimension was added to employer obligations, namely ideological contract (Thompson & Bunderson, 2003). Affective and continuance commitment were measured using an adapted questionnaire based on Meyer and Allen (Meyer & Allen, 1991; Ten Brink, 2004). Leave intention was measured using an instrument by Ten Brink (Ten Brink, 2004). Participants were asked to answer questions regarding these constructs using a 5-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree). Cronbach's alpha values indicate a high scale reliability (psychological contract constructs: $\alpha =0.77$ to 0.86; affective commitment $\alpha =0,89$; continuance commitment $\alpha =0.81$; turnover intention $\alpha =0.85$, employee perceived obligations ($\alpha =0,86$ in-role; $\alpha =0,86$ extra-role)). Measurement of workspace (performance, job satisfaction, distraction, control, satisfaction with workspace, and group cohesiveness) was based on Lee and Brand (2005). Cronbach's α were between .75 and .89, except for control (.60).

The questionnaire was distributed to Facility Management employees through the database of the FMN, the Dutch branch organization for facility management. A total of 170 employees filled in the questionnaire. The questionnaires were then checked for completion and a final sample of 117 questionnaires was entered for analysis. The sample (N=117) represents a balanced mix of different types of organizations, and is largely representative of the demographic workforce characteristics of the industry in terms of age distribution, gender distribution and educational level (Ruys, Visser & Wiedemeijer, 2009). Sixty-three percent of the population is male – which is consistent with the distribution of gender in the Dutch industry in practice. Over 90% has a Bachelor Degree or higher and 84% of the respondents work fulltime. As for the distribution of generations, 27.6% of the respondents was born between 1945-1964 (Generation 'Baby Boomers'); 50% was born between 1965-1980 (Generation X); and 22.4% of the respondents belonged to Generation Y, born between 1981-1995.

The results section is organized along the lines of the research questions. This means we will first explore results on psychological and ideological expectations in relation to a number of important outcome variables for employers before we explore experiences of physical workspace. These sets of results will then be brought to together in the conclusions section

1. *Do different generations have different beliefs about employer obligations?*
First of all, an overview of how different perceptions of employer obligations rate amongst FM employees (see Figure 1). As can be seen, organizational policies (clear, open and fair interaction with the organizations) are rated highest, followed by career development opportunities, social atmosphere and job content. In this study we did not find significant differences when comparing Generation Y with previous generations in terms of their perception of employer obligations. When rating the importance of the different categories of employer obligations, Gen Y ranked these significantly lower than older generations. Lastly, we evaluated the level of fulfillment of employer obligations as perceived by employees. Although fulfillment of the employer obligations shows a slightly different ranking (see Figures 1 and 2) as do the expectations, again, only generational differences were found on job content and organizational policies. In both cases, Generation Y reported lower fulfillment of obligations.
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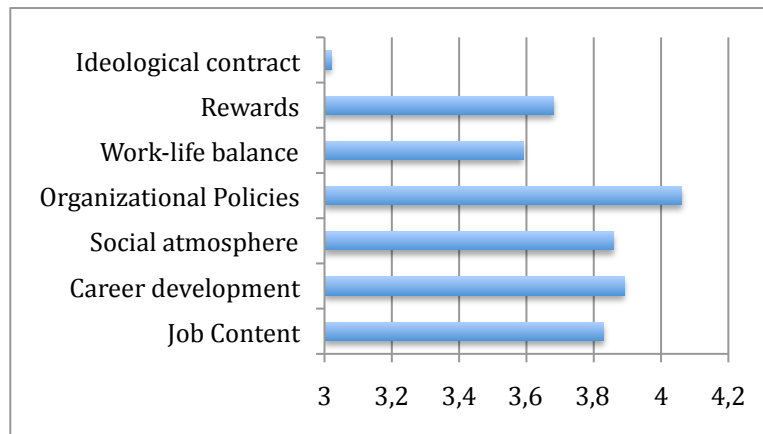
Figure 1: Employer obligations.

Though these findings do indicate a certain extent of generational differences in psychological contract, our results do not fully support the broad sweeping statements about generational differences in the popular media. This being the case, we turn to research question 2 and explore the relations between these expectations and experiences with some attitudes that workers develop towards their employers.

2. *Do younger generations feel lower obligations towards their employers (both in-role (described tasks) and extra-role (performing above and beyond the job description)?*
We would expect Generation Y to feel lower employee obligations then older generations, but this hypothesis was only confirmed for in-role obligations (F=4.637, sig= .012). Extra-role obligations were not perceived different by different generations.

3. *Do younger generations show lower levels of commitment?*
Given the literature, we would expect especially Generation Y to have lower levels of both affective and continuance commitment. Our results indicate (Affective commitment F=4.385, sig= .015, Continuance commitment F=3.297, sig=.041) that this hypothesis is true, but in particular in comparison to Baby Boomers. Otherwise stated, both affective and continuance commitment are high for Baby Boomers, and significantly lower for Generation X and Generation Y.

4. *Do younger generations show higher turnover intention?*
In line with lowered commitment, one would expect Generation Y to have lower thresholds to leave their jobs. Our results only partly confirm this hypothesis: Generation Y does show significantly higher turnover (leave) intention (F=2.3, sig=.038) than Baby Boomers, but no so for Generation X. This results is in line with our results for the previous research question.

5. *What are the relationships between psychological contract fulfillment, commitment, turnover intention and employer obligations?*
Overall, we found moderate to strong correlations (.182[**]-.441[**]) between psychological contract fulfillment, commitment, and turnover intention. Moreover, employee obligations (in- and extra-role) also demonstrate moderate correlations with commitment and fulfillment of psychological contract (.291[*]-.345[**]). However, at a

generational level we see quite a different story. Relationships between overall fulfillment of expectations and leave intention are quite strong for older generations (-.400[**]), but non-significant for Generation Y. The same is true for the relationship between affective commitment and employee in- and extra-role. This correlation is strong for older generations (.511[**]-.543[**]) and again non-significant Generation Y. We controlled for gender and tenure and found no effects on this relationship.
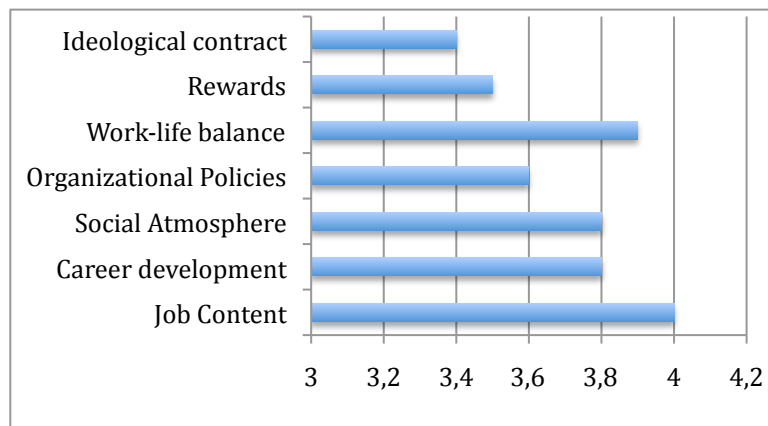
Figure 2: Fulfillment of employer obligations.

This would suggest that the mechanisms that we classically use to increase staff commitment and performance work differently for the youngest generation. Hypothetically, felt employee obligations and commitment seem to be driven by other factors than classical work motivation mechanisms and warrant further study.

6. Do younger generations show different preferences for their work environment?
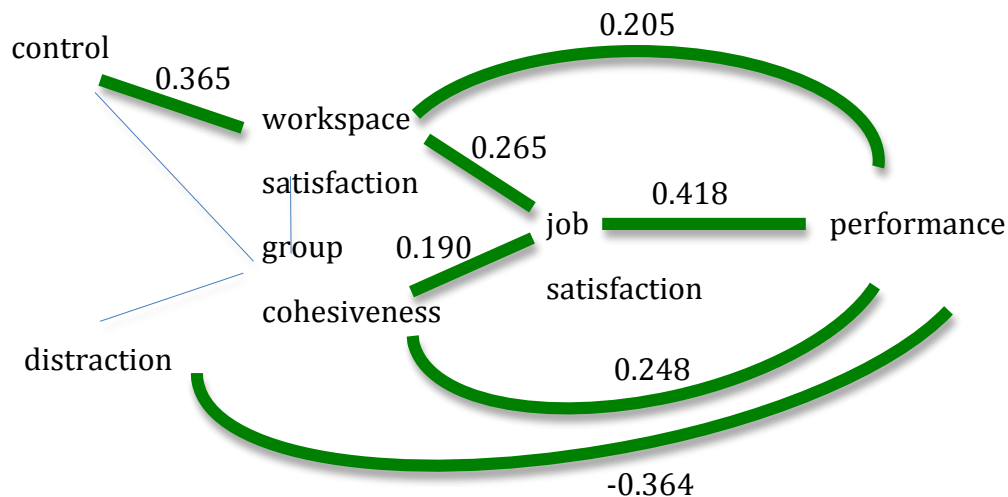The workspace survey from Lee and Brand (2005) measures performance, job satisfaction, distraction, control, satisfaction with workspace and group cohesiveness. Table 2 shows the average scores for each of these aspects, for all respondents. The mean values show that on average respondents show a rather level of high job satisfaction, workplace satisfaction, and performance, and a lower level of distraction, compared to previous studies (see Table 2.) Furthermore, they experience more control. This is an indication that our respondents perceive their workspace as more positive than those described in Lee and Brand (2005) and Van Baalen et al. (2007).

Table 2:
Mean values for performance, job satisfaction, distraction, control, and satisfaction with workspace and group cohesiveness (N=117). Items were measured with a Likert scale ranging from 1 (very high - 5 very low). For comparison, results of Lee & Brand (2005) and Van Baalen et al. (2007) have been added. Lee & Brand were recalculated for a 5-point scale. (BB = Baby Boomers; X = Generation X; Y = Generation Y)

	All respondents	Baby Boomers	Generation X	Generation Y	Lee & Brand (2005)	Van Baalen et al. (2007)
distraction	3.58	3.82	3.51	3.38[*] (vs BB)	2.57	3.12
control of workplace	2.24	2.05	2.34	2.27	3.28	2.95
satisfaction with workplace	1.83	1.51[*] (vs X and Y)	1.92	2.04	2.48	3.64
job satisfaction	1.81	1.66	1.78	2.05[*] (vs BB)	2.11	n.d.
performance	2.25	2.08	2.21	2.58[*] (vs BB and X)	2.78	n.d.
group cohesiveness	2.08	1.97	2.16	2.04	n.d.	n.d.

Figure 3:
Correlation coefficients between performance, job satisfaction, distraction, control, satisfaction with workspace and group cohesiveness for all correspondents. Only significant correlations are shown.

Our results shown that Baby Boomers report a significantly higher job satisfaction than Generation Y, which is consistent with the prevailing positive correlation between age and job satisfaction. Because small effects of gender on job satisfaction have been reported (CIPD, 2010), we controlled for gender and found no effects on this relationship. Self-reported performance as well as workspace satisfaction were significantly lower for Generation Y than for both other generations. These lower values are in line with the significantly higher level of distraction experienced by Generation Y. Apparently, despite their reported preference for group collaboration and multitasking, Generation Y in this research is not less distracted by auditive and visual clues in their immediate surroundings than older employees. Furthermore, neither group cohesiveness nor control showed a clear relationship with age. Therefore, our assumption that there should be a positive correlation between group cohesiveness and job satisfaction for Generation Y is not supported by our data.

The correlations between performance, job satisfaction, distraction, control, satisfaction with workspace and group cohesiveness are shown in Figure 3. Results for all respondents show that most correlations are significant. Our value for the correlation between job satisfaction and performance, 0.42, is in accordance with the high level of education of the sample, and the large percentage of managers and professionals (Iaffaldano & Muchinsky (1985). Results for separate generations show distinct differences. Baby boomers show significant correlations between workspace satisfaction and performance. This relationship seems to be partly mediated by job satisfaction. Generation X, on the other hand, shows positive correlations between group cohesion and performance, also partly mediated by ob satisfaction. Also, group cohesion is negatively correlated to distraction, and control is positively correlated to workspace satisfaction. This indicates that Generation X's performance seems to be more related to group cohesion, whereas Baby Boomers put more value on physical workspace. Noteworthy, Generation Y only shows a (positive) correlation between job satisfaction and performance. This indicates that neither workspace satisfaction nor group cohesion. That leaves us with the question how to promote ob satisfaction and/or performance in this group of young workers.

What did our respondents say about their actual and preferred workspace? No significant differences were found between generations with respect to preferred workplace. Results are however remarkable: all generations preferred to work from home first and foremost (approx. 60%), followed by 2-3 persons rooms (56%), social venues outside the workplace (49%), and private workspace (46%). This seems to contradict the actual work arrangement whereby there is a concentration on larger shared offices of four or more people (41% of the respondents; approx. 62% of these respondents share their desk with other employees), and virtually no one working at home (4%) or in social venues outside of the workplace (2%). There is no significant difference between generations with respect to use of shared desking. Apparently, there is a gap between preferred and actual workspace. Respondents are not dissatisfied with their workspace (See Table 2), apparently also not with desk sharing. However, given a choice, they would probably choose other working arrangements, regardless of age.

When combining aspects of psychological contract (questions 1-5) and workspace (question 6), we see that the results are complementary. In line with Conway & Briner (2005) and Rousseau (1989), a lowered affective commitment to the organization coincided with lowered performance of workers (r= .428[*]). A related construct, psychological contract fulfillment, also correlates with affective commitment (r= .552[**]) and performance (r= .416[*]). A lower group cohesiveness also correlated with lower affective commitment (r= .350[*)]).

CONCLUSIONS

In today's workplace a distinction is often made between three generations, generally known as Baby Boomers (born 1945-1964), Generation X (born 1965-1980) and Generation Y (born after 1980) (Eisner, 2005). In this paper we set out to explore both psychological and physical dimensions of different generations of employees' work environment. Psychological literature focuses on the employee as individual and as member of a group, whereas in facility management literature feature (individual) workplace and management of groups dimensions. In our research, we have combined these two approaches, to develop a more comprehensive view on employee' perspectives.

1. Do different generations have different beliefs about employer obligations? Regarding employer obligations, we did not find significant differences when comparing Generation Y with previous generations in terms of their perception of employer obligations. Fulfillment of psychological contract only showed generational differences on job content and organizational policies. Though our findings do indicate a certain extent of generational differences in psychological contract, they do not fully support the broad sweeping statements about generational differences in the popular media.

2. Do younger generations feel lower obligations towards their employers (both in-role (described tasks) and extra-role (performing above and beyond the job description)? Only in-role employee obligations showed lower values for Generation Y. Extra-role obligations were felt at a low level by all employees.

3. Do younger generations show lower levels of commitment? Both affective and continuous commitment are high for Baby Boomers, and significantly lower for Generation Y and X.

4. Do younger generations show higher turnover intention? Generation Y does show higher turnover intention; but, in line with the results for commitment, only when compared to Baby Boomers.

5. What are the relationships between psychological contract fulfillment, commitment, turnover intention and employer obligations? Overall, we found moderate to strong correlations between psychological contract fulfillment, commitment, and turnover intention. Moreover, employee obligations (in- and extra-role) also demonstrate moderate correlations with commitment and fulfillment of psychological contract. However, at a generational level we see quite a different story. Relationships between overall fulfillment of expectations and leave intention are quite strong for older generations, but non-significant for Generation Y. The same is true for the relationship between affective commitment and employee in- and extra-role. This correlation is strong for older generations and again non-significant Generation Y. We controlled for gender and tenure and found no effects on this relationship.

6. Do younger generations show different preferences for their work environment?
Respondents show a rather level of high job and workplace satisfaction, and performance, and a lower level of distraction. However, performance, job satisfaction as well as workspace satisfaction were significantly lower for Generation Y than for both other generations. These lower values are in line with the significantly higher level of distraction experienced by Generation Y. All generations were alike in workspace preferences, with high ratings for working from home or at social venues outside the workplace. In practice, many of the respondents work in larger shared offices of four or more people, and virtually no one is working at home or in social venues outside of the workplace. About half of the respondents share their desk, regardless of age.

Combination of aspects of psychological contract (questions 1-5) and workspace (question 6) shows that results are complementary. Results suggest that the mechanisms that we classically use to increase staff commitment and performance work differently for the youngest generation. Furthermore, for Generation Y, factors known to influence job satisfaction and performance hardly have predictive power. Hypothetically, felt employee obligations and commitment seem to be driven by other factors than classical work motivation mechanisms and warrant further study. Although our findings are still explorative, they do suggest we need to draw further attention to further research joining these two approaches to FM employees' work environments.

RECOMMENDATIONS

Offer alternative officing concepts that include working from home or working at social venues outside the workplace, to ALL generations. Diminish the amount of distraction in offices, as distraction lowers job satisfaction and self-rated performance. If hot desking is to be introduced, keep in mind that employees (still) prefer to have their own desk. Do not treat employees from all generations alike, and recognize that Generation Y differs from older employees. This requires new understanding of what motivates them in work, and the only way to find out, is by asking them.

LIMITATIONS

Results presented in this paper are based on a relatively small cross-sectional sample. The sample was however representative of a larger population of highly-educated facility managers. Our quantitative results need confirmation by qualitative research into psychological contract and workspace satisfaction of especially Generation Y.

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