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## **Management Control of Tomorrow**

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Expectations and preferences affecting business students' motivation and job satisfaction, and the consequences for management control

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## Executive summary

<b>Title</b>	Management Control of Tomorrow – Expectations and preferences affecting business students’ motivation and job satisfaction, and the consequences for management control
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<b>Five Key Words</b>	Millennials & Zoomers, Expectations, Preferences, Motivation, Job satisfaction
<b>Purpose</b>	The purpose is to investigate what the next generation of employees prefer and expect, to be satisfied and motivated at work. It should also be shown, what they prioritise, when comparing two different items. This provides insights into what newer generations expect and what it means in terms of the use of management control to support and enhance employee’s motivation and satisfaction. This research paper presents the perspective of future employees, which consists of students of business administration at master’s level and the perspective of the employers who demand them.
<b>Methodology</b>	A mixed methods approach with a quantitative survey as main source for data collection, with a sample of 446 masters’ students in Business Administration is used. It is complemented by qualitative semi-structured interviews with two employers of the Big4, with extensive experience of managing the younger generation of employees.
<b>Literature Review and Theory</b>	Expectations of Generation Y and Z differ compared to previous generations, regarding what satisfies and motivates them. Expectations refer to flexibility, work-life balance, frequent feedback, open communication, rewards etc. It also presents employers’ views of the younger generation, describing them as self-centred, demanding employers with different expectations than previous generations. Theories of motivation (SDT, types) and control (enabling & coercive, control levers) are used to analyse the literature and provide a basis for discussing the findings and fulfilling the purpose of this research.
<b>Results and Findings</b>	The main results of the 93 survey participants show that in Likert scale and pairwise comparison open and transparent communication is most preferred, followed by flexible and self-determined working hours. As an optional comment, the preference for a work-life balance and avoiding micro-management were mentioned frequently. The findings from the interviews are that the younger generation values their work-life balance, are intrinsically motivated and it is difficult to retain young employees. In addition, students’ perceptions and preferences towards their employers have changed due to the Covid-19 pandemic, also the interviews confirmed this experience.
<b>Discussion</b>	When comparing the results and findings with the literature, many similarities were found. There were some discrepancies, possibly due to the changed cognition after the pandemic. The results combined with the theory show that mainly relatedness and autonomy are required from the SDT and less competence. In addition, enabling controls fit better with the students' expectations, and at the level of the levers of control, the interactive control and belief system should be applied preferably. From a managerial perspective, challenges can arise in fulfilling the expectations. For example, it is difficult to fulfil only two of the three psychological needs, as competence is necessary to provide autonomy. Furthermore, tasks should be designed in such a way that enabling controls are increasingly applied, but from a management perspective, coercive controls can partially increase efficiency.

## Preface

This Master's thesis was written as part of the master's program in Accounting and Finance at the Lund University School of Economics and Management in Lund, Sweden.

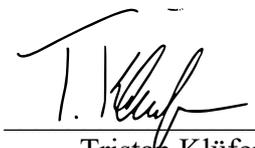
The title of the thesis "Management Control of Tomorrow" is to attract the attention of potential readers and to create curiosity. The subtitle "Expectations and preferences affecting business students' motivation and job satisfaction, and the consequences for management control" provides information about the more detailed content. This is intentional, as potential readers should be informed about what they can expect in the master's thesis.

The primary addressees are our supervisor, Professor Anders Anell, with whom we agreed on the topic, and the examiners of the master's thesis, as they evaluate the master's thesis in terms of content and layout. In addition, our two interview partners, who will also be sent the thesis after it has been completed. Furthermore, all those who are interested in the topic are cordially invited to read the master's thesis and to be inspired by it for new management styles.

We would like to take this opportunity to thank our supervisor, Professor Anders Anell, and our interview partners. We are especially grateful to Professor Anders Anell, who gave us regular feedback, took a lot of time to answer our many questions and helped us in all situations. We were always happy to accept and incorporate his advice and assistance.

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# 1. Introduction

## 1.1 Background

The traditional view of Management control (MC) is that it is about ensuring that intended strategies are followed and implemented by the employees, as well as making sure that goals are attained. There are different types of views regarding MC and a general definition of management controls as described in Malmi and Brown (2008) p. 290 is: “Those systems, rules, practices, values and other activities management put in place in order to direct employee behaviour should be called management controls”. What this definition describes is that MC is about handling employee behaviour, which then requires active participation from management, through the implementation of different organisational control tools. These tools can be seen as a management control system (MCS) if they are built on completeness, for instance that an implemented rule also has a follow-up procedure in place. Simons (1994) had another definition of MCS, “MCSs are the formal, information-based routines and procedures managers use to maintain or alter patterns in organisational activities”. And what this definition illustrate is that a MCS is built upon the purpose of control, namely, to maintain or alter patterns, again emphasising the active role of MC. Organisations are striving for competitive advantage, for instance by being highly effective. Creating a highly effective organisation requires that all stakeholders, not the least employees, are considered. The importance of employees that are able to grow, develop and feel motivated have a significant connection to future financial success and effective organisations (Deci, Olafsen & Ryan, 2017).

Managing and controlling employees in the right manner is crucial. The human capital within an organisation, its employees, are crucial resources for the organisation. Research has showed that they are able to affect performance, create a competitive advantage and therefore also impact the ability to continue to operate (Wright, Dunford & Snell, 2001; Barney & Wright, 1998). Retention, satisfaction, and motivation of employees is seen as vital and key determinants of long-term organisational performance (Van der Hauwaert, Hoozée, Maussen & Bruggeman, 2021), which can be considered to create challenges for the employer regarding how to satisfy, motivate and retain employees. Simultaneously new generations are continuously entering the employment market and are constituting a part of the workforce. Two generations that either have entered the employment market recently or will do so in a not-too-distant future, are generation Y and Z. Generation Y, also known as Millennials, are

those born between 1980-1996. Generation Z, also called Zoomers, include people born between 1997 and 2012 (Boysen, Daste & Northern, 2016). Research shows that these newer generations expect and require different types of control and support in order to be motivated and create performance compared to previous generations, which further creates a dilemma and challenge for the employer from a management control perspective regarding how to control and manage employees. For instance, the younger generation differ when it comes to being given autonomy, have a work-life balance, being given freedom, receiving feedback and in general to have a supportive control environment (Chillakuri, 2020; Forastero, Sjabadhyni & Mustika, 2018; Maloni, Hiatt, & Campbell, 2019). Since human capital is crucial for the survival of an organisation, it can be stressed that it is important to fulfil these expectations and preferences in order to both recruit human resources, but also satisfy, motivate and retain them in the organisation.

## **1.2 Problematisation**

The fact that there are differences regarding preferences and expectations between different generations raises the question regarding what type of management control that should be used. This, in order to support and satisfy the employees in the organisation and attain the chosen strategy and goals. Previous studies about Millennials and Zoomers show that their expectations and preferences differ from those of previous generations, and that they expect and demand different things from the employer in order to stay motivated and satisfied with their work (Myers & Sadaghiani, 2010; Forastero, Sjabadhyni & Mustika, 2018; Chillakuri, 2020; Maloni, Hiatt, & Campbell, 2019). Furthermore, job hopping has become more present and to retain employees their expectations should be met (Ramesh & Vasuki, 2013). This forces management to adapt and revise what they are offering younger employees, while simultaneously needing to attract and retain employees from older generations, still in the workforce and keep them motivated.

On the topic of human motivation, the self-determination theory (SDT) is based on human motivation and relates to the three basic psychological needs of the employees: autonomy, relatedness, and competence (Deci, Olafsen & Ryan, 2017). MC that creates and supports motivation therefore needs to be linked to these three basic needs. Motivation among employees is important, since it produces performance (Deci & Ryan, 2000). Previous research suggests that intrinsic motivation of employees is favourable for organisational performance

(Cerasoli, Nicklin & Ford, 2014). However, since previous research also shows that Millennials and Zoomers expect and prefer things like work-life balance, instant feedback, and high pay to mention a few, there is a need to know which of these are preferred the most when compared against each other, which previous studies have not mainly focused on. Therefore, preferences and possible trade-offs have not been investigated in greater detail, leaving a gap for this research paper to fill (Myers & Sadaghiani, 2010; Forastero, Sjabadhyni & Mustika, 2018; Chillakuri, 2020; Maloni, Hiatt, & Campbell, 2019). This is an important area of research since it is crucial information for employers seeking these future employees, since it is difficult and a managerial challenge to fulfil all expectations as a company and they need to know how to prioritise the focus areas. Are for instance some expectations more important than others and is there a psychological need that is more important fulfilling. Moreover, as the Covid-19 pandemic has also been experienced and students have now been confronted with new circumstances, it may have led to changes in their perceptions of what they expect and prefer.

Simultaneously, research within management control has also focused on the distinction between enabling and coercive control and the need to create a balance between freedom and control with the purpose of creating MCS that supports flexibility and performance, which as mentioned in Ahrens and Chapman (2004), makes the organisation function more efficiently. A widely researched area is how to keep employees intrinsically motivated, while at the same time withholding control, where authors like Ahrens and Chapman (2004) and van der Kolk, van Veen-Dirks and ter Bogt (2019) advocate the balanced approach, focusing on both support and control. This since no MCS can be purely enabling in nature. What the preferences and expectations of the next generation of employees imply for the traditional research regarding enabling and coercive control and how it can be balanced to support the expectations of younger generations, is yet to be investigated.

Organisations who are facing these employees as part of their future workforce therefore need to understand what these employees expect and prefer the most in order to manage their human resources well, keep them satisfied and motivate them to be performative. Further, it needs to be clear if trade-offs exist and what the younger generations' preferences are when choosing between different alternatives. And finally, what their expectations and preferences imply regarding what kind of management control that should be applied to support employee satisfaction and motivation. Here, further research is needed and to investigate this research gap, the following purpose has been developed.

### **1.3 Purpose and research questions**

The aim of this thesis is to investigate what the next generation of employees prefer and expect, in order for them to be satisfied and motivated. But also, what they prioritize in their future employment, when comparing two different preferences and giving people an option. This provides an insight into what these newer generations' expectations mean in terms of how to organize and use management control to support and enhance employee satisfaction and motivation in an organization.

This research paper features the view of future employees consisting of business students on master-level, who are either Millennials or Zoomers. Since it is about Master students', the focus is on the future workforce of qualitative tasks. The perspective of the employers, who are demanding these individuals in their future workforce, is also investigated to decide whether there is a match with the view of the students. The two-way approach gives the opportunity to identify gaps in expectations and communicate these to employers. The business students investigated are also associated with different programs, the purpose is thereby further to investigate whether differences exist regarding what they expect and prefer in their future workplace.

#### **Research questions**

To fulfil the purpose of this research paper, two research questions have been formulated:

- I. What are the expectations and preferences of business students to feel satisfied and motivated? What do they value the most and can trade-offs be discovered regarding what to prioritise?
- II. What does these expectations and preferences imply regarding what kind of management control should be used to support employee motivation, what challenges exist from a management control perspective?

### **1.4 Outline of the report**

Beforehand, the reader was introduced to the background, the problematization, and the purpose of the master's thesis. The following chapter provides detailed information on the method used to fulfil the purpose in the best possible way. This includes, for example, the motivation of the method, but also limitations with the research approach. Subsequently,

literature review findings on the expectations of Generation Y and Z are presented and the employers' view of the coming generation is described. Based on the results of the literature review, relevant theories are presented, which are important to consider when studying a subject related to motivation and control. Then the results and findings are presented. First, the results from the survey of the 446 students are presented, followed by the findings of the interviews conducted with two managers of the Big 4. The results are discussed and compared with the literature in the first subchapter of the discussion. Afterwards, the results are discussed in relation to theories about motivation and control, and implications are presented. The thesis ends with a conclusion.

## **2. Methodology**

### **2.1 Research approach**

The research approach of this thesis is mixed methods as it mainly includes a survey about expectations and preferences of Millennials and Zoomers that provides quantitative data, but also partly is using qualitative interviews with employers, as research method for data collection. The survey is the main data source for the empirical findings, and it includes both simple questions on a Likert scale as well as pairwise comparisons, an element which earlier studies have not applied when collecting data. These are used to rule out preferences and trade-offs regarding expectations. The interviews are used as a complementary source of data to get the employer perspective and enable to feature both the employer as well as the employee-perspective.

### **2.2 Motivation of research approach**

Possible methods are either qualitative, quantitative, or mixed. The chosen approach in this study is to use a mixed method, which is suitable due to the different types of data that is required for the purpose of this research paper. It enables both a quantitative questionnaire, as well as qualitative interviews to be used, in order to collect data. Since the purpose is about the preferences and expectations of Millennials and Zoomers in order to stay satisfied and motivated, their view needs to be investigated. Here, the chosen method of data collection is a survey which is distributed to a sample of students. An alternative method for data collection would have been to conduct interviews with the sample, in this case business students studying on master-level within business administration at Lund School of Economics and Management (LUSEM). However, as mentioned by Bryman and Bell (2011), interviews require significant resources, in this case time. The scope of this research paper and the restricted amount of time available to conduct the research, provides a limit in what kind of data collection method that can be used. The sample consists of 447 individuals and the questionnaire is therefore the preferred method to be able to receive answers from as many as possible in the sample, even though interviews would have given more qualitative data and the possibility to ask follow-up questions. A qualitative approach containing interviews with the chosen sample would also lead to extensive material to transcribe and handle (Bryman & Bell, 2011), which is beyond the timeframe of this thesis. However, the quantitative survey suits better with the purpose of

this thesis which includes to compare different groups of students, which is made easier through having a quantitative questionnaire using closed questions.

The general purpose with the mixed approach is to utilise complementary effects of both the qualitative and quantitative approach. The mixed approach provides flexibility and enables multiple different combinations of qualitative and quantitative elements (Bryman & Bell, 2011). Since this research paper includes a quantitative questionnaire, it is beneficial to complement this with a qualitative method where possible. Interviews have therefore been conducted with two of the employers who employ Millennials and Zoomers. This target audience is less extensive than the first one containing students, since only two employers are included. That makes it possible to conduct interviews with them and get their perspective on this subject in order to fulfil part of the purpose of this research paper. We believe that their experience is important, and it is therefore relevant to interviews here as a complement to the main survey-based approach. The qualitative approach is preferred to use, if possible, when you are interested in the respondents view on the subject. Earlier studies within this subject have also to large extent been based on quantitative research approaches investigating the expectations and preferences of Millennials and Zoomers, which support the chosen methodology for this paper. What further motivates the chosen mixed research approach is that quantitative research can facilitate qualitative research (Bryman & Bell, 2011). Namely, that the results from the questionnaire in this case can guide what should be included in the qualitative semi-structured interviews that were conducted after the results from the questionnaire were completed. The employers view on what the Millennials and Zoomers in the sample found important was therefore possible to investigate. All in all, the chosen approach links back to the purpose of this thesis and all methodology choices have been done in consideration with fulfilling the purpose of this study.

### **2.3 Criticism against survey as data collection method**

One big disadvantage with using self-completion questionnaires instead of interviews is that there is no one present while the respondents answer the questions. This makes it crucial that it is designed and presented in a way that the respondents understand the questions asked and how they should fill in or answer (Bryman & Bell, 2011). Because of that, each question asked is a closed question where the respondent answer on a Likert scale, and each question in the questionnaire was formulated with this in consideration, asking rather short questions and

avoiding difficult words to avoid misunderstandings. Since the sample which is targeted includes different master programs, no definitions or theories that relate to specific fields of research has been used. All to make it easy to comprehend and easy to answer in a truthful way. The limitation with questionnaires that are sent out is further that you do not know who responds, if it is the individual in the sample or someone else (Bryman & Bell, 2011). The questionnaire in this study is sent out to a personal e-mail address, and it is also clearly stated that it is their own opinion that is of interest. They must also fill in some background information regarding what program they study and so on. This, to ensure as far as its possible, that the questionnaire is answered by the correct individuals in the sample, and no one else. The obvious disadvantage is that follow-up questions cannot be asked, but at least this study includes pairwise comparisons to get more information about the younger generations' preferences. Regarding response rate, this can be a disadvantage with the self-completion questionnaire, since there is a risk of a low response rate. Therefore. This study will account for this limitation depending on what the response rate will be. A low response rate puts a limit on how credible and transferable the results are, how valid they are in a broader sense (Sekaran & Bougie, 2016). Reliability and validity in this study will be discussed later.

Important to mention is that this study only focuses on the stated preferences, since a survey is used. What should be noted is that these stated preferences that the respondents express not necessarily corresponds to their revealed preferences. To find out their revealed preferences, a study featuring their choices when working would have to be conducted, which is beyond the scope of this thesis. However, the fact that it is stated preferences, is something to emphasise when discussing the findings later.

Regarding the overall research approach as such, conducting interviews as a complementary data collection method to complete the survey as a method, would have been preferred. This, to enable data triangulation (Bryman & Bell, 2011), to confirm the results with more than one type of data source for instance.

## **2.4 Theory and Literature review**

An extensive literature review was conducted, it focuses on previous findings regarding Millennials' and Zoomers' expectations and preferences, and how these are linked to job satisfaction and motivation. This literature review forms the basis for the questionnaire used in

this study since the questions asked in the survey relate to the main identified areas in the literature regarding expectations and preferences. The literature review also lays the groundwork for the analysis of the empirical data. This allows the results of this study to be compared and related to previous findings on this topic. The theory relevant to the topic was compiled to serve both as an analytical framework for the literature review and as a basis for the analysis of the empirical results in this study. The theories were compiled based on the criterion of relevance in relation to previous literature within the field and the purpose of this thesis. For instance, since previous findings related to preferences and expectations of Millennials and Zoomers can be related to the SDT, this theory is described and linked to the previous findings presented in the literature review. Worth to mention is also that the literature review was divided with SDT in mind, depending on whether a preference or expectation is related to autonomy, competence or relatedness. Since the SDT is a theory about motivation, the different types of motivation focusing on intrinsic and extrinsic was also included and described, linking it to previous findings. Since the purpose of this thesis also includes the management control perspective and since types of motivation is strongly linked to different types of control, theory about coercive and enabling control is further included. Lastly, to be able to discuss control on a deeper level, different levers of control is also described and related to the previous literature. These are all relevant theories to our study and will be used to analyse and discuss how motivation is created, and the link to management control, what does the preferences and expectations imply for the type of control that should be used.

The literature search was conducted in the databases LUBsearch, Google Scholar and WorldCat. The search was keyword-based using terms such as Generation Z, Generation Y, Millennials, Zoomers, Expectations, Future workforce, Preferences, Motivation, Satisfaction and so on. These terms were used in various combinations and the articles found were first analysed by reading their abstract. Studies that were related to the topic of this paper were then read in full, focusing on the results.

To ensure reliability, only peer-reviewed articles were used. In addition, a critical stance should be adopted in the literature search (Bryman & Bell, 2011). Therefore, each article was examined in detail and the results were compared with other similar studies to assess their reliability. The results were also reflected as to whether they were reliable in relation to the way the study was conducted. The plausibility of the conclusions drawn was also assessed, considering the limitations present in each study. The studies included in the review had

relevant results that were both reliable and valid in terms of what they examined and with plausible conclusions in terms of how the studies were conducted. The literature was compiled, linking, and comparing studies to integrate findings about Millennials' and Zoomers' desires and expectations. Once this process was completed, the review was analysed in relation to theory on self-determination, motivation, and control to summarise what previous research implies about motivation and control for Millennials and Zoomers. This provided a basis for the analysis of the results and findings in this thesis.

## **2.5 Data collection**

Data collection was conducted mainly using a survey focusing on the expectations and preferences of Millennials and Zoomers. A self-completion questionnaire was sent out to all individuals in the sample. Then, the employer perspective was investigated as a complement to the survey, collecting qualitative data through semi-structured interviews. A deeper description of these two data collecting methods is given in the three following subchapters.

### **2.5.1 Selected sample and interviewees for data collection**

This research paper is aimed at one target group, namely the population of students within business administration. Further the aim is to investigate Master students. Given that the aim encompasses the perspective of the future workforce, Master's students are treated as they are entering the labour market and their expectations and preferences are therefore of interest for this study. In order to belong to the population, two requirements must be fulfilled. The first requirement is that the person is studying at master's level, the second is that you are student in the field of business administration. The chosen sample from the population of business students is master's students in Business Administration at Lund University School of Economics and Management (LUSEM). The motivation for this choice of sample is to have access to the data in order to be able to conduct the survey among the students. In this case, access to the email addresses of all enrolled master students at the institution of Business Administration at LUSEM. This has the advantage that we can reach all members of the sample. One limitation is that we are not conducting a survey featuring a larger sample where several business schools in Sweden or Europe is included, which sets limits regarding what can be concluded on a more general level. Since the master programs at LUSEM are international, they at least represent an array of different nationalities.

The fact that we have contact information to all students in the sample gives us control over who the questionnaire is sent to and ensures that the questionnaire is only sent to the sample, rather than using social media, groups, or other distribution channels. It also allows the response rate to be calculated. Moreover, the non-responders who decided to not take part in the survey can also be mapped, for instance by looking at what programs that had the largest number of non-responders. This enables analysis of the sample to see if there is a pattern regarding who responded and who did not. As pointed out in Bryman and Bell (2011), a major disadvantage of self-completion questionnaires is that researchers end up with many unusable questionnaires because they reach other people outside of the chosen sample. Therefore, respondents were also informed in the questionnaire that the study was aimed at master's students within the institution of Business Administration at LUSEM and not at other groups of people. It was also clearly stated in the questionnaire that it should not under any circumstances be distributed to friends or other people outside of the sample.

Regarding the interviews, employers are targeted, more precisely in this case the big four accounting and consulting firms in the world (Big4). The reason why they are targeted is because they are important future employers for business students who are about to graduate. Since they also hire many business students every year, their perspective is of interest in this research paper. All the Big4 were contacted, but only two firms decided to take part. Two individuals were interviewed in total. Both individuals are currently working at manager or director level, have multiple years of experience, and have extensive experience with the younger generation of employees. Both work at one of the Swedish offices at these global firms. The reason for this choice of interviewees was partly that they had extensive experience, but also partly that they were in Sweden which would enable us to meet them in person. Swedish interviewees or employers were also chosen since the largest nationality in the sample for the questionnaire is Swedish. It was therefore suitable to also ask employers who operate in Sweden. Only two interviewees are included to show the employer perspective which of course puts a limitation on how much generalisation that can be made from these two individuals' perspectives. It would of course have been preferred to have more perspectives included, both in terms of firms and in terms of number of interviewees. However, since both interviewees have long experience of working with the younger generation of employees, and both work at firms that have a high turnover within the young generation of employees, we feel comfortable that their perspective on this subject at least to some extent is valid in a more

general sense as well. More information about the interview will be presented later in section 2.5.3.

### **2.5.2 Questionnaire**

The main source of empirical data is the self-completion questionnaire, to investigate the view of the Master students. The questions were related to different expectations and preferences, based on what previous studies within the field had found. All questions are closed questions without the possibility to write your own response. The reason why is that it makes it easy for the respondents to complete, which according to Bryman and Bell (2011) is something to aim for when it comes to self-completion questionnaires. Further it makes the results easier to process and easier to compare results between different types of respondents, for instance associated with different programmes, which is part of the purpose with the thesis. Closed questions also enable analysis of greater amounts of data, in this case the number of respondents. Regarding the design of questions in a questionnaire, there are certain principles that should be followed. For instance, the language used to describe the questions should correspond to the educational level of the respondents (Sekaran & Bougie, 2016). Since the sample includes students from different programmes, words that are specific to a certain field or to a certain theory have been left out.

The questionnaire can be found in Appendix 1: Questionnaire. It was structured into three main parts. Firstly, it focused on background questions regarding the respondent, such as age, gender, which master program they are studying and whether they have had previous relevant working experience. Since there can be a problem with other people answering the questionnaire than the ones targeted (Bryman & Bell, 2011), these questions at least inform people that they need to study a certain master's programme in order to answer. Secondly, the respondents were asked to grade certain expectations or preferences regarding its importance for them as a future employee. A Likert scale of one to five was used where one meant that they completely disagreed regarding it being of importance and five meant that they completely agreed with it being important to them. For instance, whether they agreed or disagreed with flexible working hours being important to them.

Thirdly, the respondents were given pair-wise questions to enable us to find out their stated preferences when choosing between two different alternatives, related to two different psychological needs from the SDT. The pairwise comparisons have not been done in previous

literature, which this study builds upon, which motivates why it is a relevant element to include in the questionnaire. The respondents had to choose one out of two alternatives, where each of the options was at one side of a Likert scale from one to five. Number one on the scale symbolises a strong preference for option one and five a strong preference for option two. The possibility of being indifferent between the two was therefore also given, symbolised by the number three in this case. The numbers two and four symbolise a preference for option one respective option two. The reason why pairwise comparisons were used was that it helps to investigate and evaluate preferences that the respondents have. The pairwise comparison is suitable when focusing on a small number of stimuli (Sekaran & Bougie, 2016), in this case related to satisfaction and motivation. The purpose of these pairwise comparison-questions was to enable this thesis to fulfil part of its purpose of finding out which expectations or preferences are most important, when they are put in relation to each other and if there are trade-offs. To ensure that all relevant dimensions of self-determination theory for this study were considered in the pairwise comparisons, a matrix was created in which the individual components were contrasted to prevent any comparison from being missed out. The matrix can be found in Appendix 1: Questionnaire.

Finally, a fourth part was included in the questionnaire where the respondent could write something that they found important, but that was not brought up in the questionnaire. The purpose here was to capture any additional thoughts that the students had prior to doing the questionnaire, or thoughts that appeared during the questionnaire. For this question, a qualitative analysis was made using a data analytics tool to see what words were mentioned most frequently. These are mentioned in the result chapter.

A pilot-test of the questionnaire was done, where five different people from outside of the target audience were asked to complete the questionnaire and give feedback on any problems or inconsistencies. Reviewing and testing the comprehensiveness was also done through this pilot-test. A majority complained about the fact that the questions were asked in different ways, sometimes referring to whether something was important to them, sometimes whether something was not important. Since they had similar structure on the questions, they were mistaken for being the same. So, to avoid the risk of people answering the questions wrong by mistake, all questions were asked in the same fashion, namely to what extent something was important to them. After that, the questionnaire was adjusted to a final version. The questionnaire was sent out twice to the students in the sample, the first time and then four days

later as a reminder. The questionnaire was run for ten days, to enable as many as possible in the sample to have time to complete the questionnaire. Simultaneously, the questionnaire was closed after ten days had passed to hinder other people from answering, if they got hold of the questionnaire-link, which would interfere with the results.

### **2.5.3 Semi-structured interviews**

The data on the employer's view was collected through semi-structured interviews, which allowed for follow-up questions to be asked, to get a thorough view of the interviewee's perspective. Semi-structured interviews provide flexibility and are therefore preferred in qualitative research (Bryman & Bell, 2011).

Two semi-structured interviews were conducted with two different employees in two different companies within the Big4 Auditing and Consulting firms. Both interviews were conducted with the Swedish office of one of these international employers. The reason for this was partly that we as researchers were in Sweden, which facilitated a physical meeting to take place. But partly since Swedish nationality is the largest overall for the master students included in the sample for the study. It was then considered most relevant and representative to include the Swedish employer perspective, as these are likely to differ. Since the interviewees are at Manager or Director-level, they have direct experience of hiring, managing, and working with entry-level employees, where graduates start their career. They both work closely with younger employees. Therefore, they have good insight into the situation regarding how Millennials and Zoomers are as employees. But since they also have long experience in the firm, they also know what they offer their employees and how it has changed.

The first interviewee will be referred to as Director since the individual works as a Director at one of the Big4. The second interviewee will be referred to as Manager since this individual works as a Manager at a different firm within the Big4. In respect of their personal integrity, they are both completely anonymous and have given their consent to take part in the interview and the thesis as long as their name and firm is held anonymous. Both interviews were planned to be conducted during a physical meeting at the firms' office. This, to enable us to better interpret what the interviewee brought up and pick up on physical expressions, but also to avoid misinterpretation. Due to external causes, one interview had to be conducted via Microsoft Teams, even though the original plan was a physical meeting at the office. The second interview was however conducted at the firm's office. Both interviews lasted for around 40-45

minutes. An interview guide was created, where the structure and certain questions were already decided upon prior to the interview, but follow-up questions were asked to enable a more in-depth understanding of certain experiences. These questions were dependent on what the interviewee brought up during the interview, to make them elaborate on their view. The interview guide can be found in Appendix 2.

The interviews were not recorded as this might have influenced whether they would talk about their true perception and experience of Millennials and Zoomers. Further, since we as researchers also are business students and potential employees to both firms interviewed, this might affect the honesty of the interviewees. As researchers, we did however make it clear in the beginning that they should see us as researchers interested in the truth only, and not as future employees. They were now given the opportunity to speak freely, but careful notes were taken by two people simultaneously during the interview in order to reproduce in text what was raised during the interview.

Recording and transcribing is the preferred method to use in qualitative research when doing interviews, however in this case, taking notes was considered to be the better option to get the interviewees honest answers. The interviews took place in quiet rooms without disturbing noises. It was therefore possible to focus exclusively on what the interviewee said.

## **2.6 Handling and analysis of data**

After having closed the survey from further answers, the first step was to check the completeness of the questionnaires that the respondents had conducted. Completeness in this case means that all questions were answered. Following that, the background questions in part one of the questionnaire was analysed from a reliability perspective. For instance, focusing on age range and countries that are included as answers. The age range for students enrolled in the master's programmes within business administration at LUSEM can be found on the LUSEM webpage. It was therefore possible to validate that the information was correct for each program, and that all respondents from that program were inside of the age range. Regarding the country the respondents put in, the spelling was standardised to enable data processing later.

Regarding the second part of the questionnaire, the questions with the Likert scale from one to five, these were analysed by first calculating the averages of the respective expectations and

then displayed in a dashboard that reacts to filters and changes in the background question dimensions, age (generation), gender and programme, through a slicer in Microsoft Power BI. The third part of the questionnaire, the pairwise comparisons, were evaluated and analysed using the matrix mentioned earlier. For this purpose, the areas of autonomy, competence and relatedness were compared in the matrix and evaluated which of the items is most preferred and which area of the self-determination theory it addresses. Here the indifference is taken out and the preferences of the individuals are compared. A ranking was done according to the importance of the individuals and the expectations. Further, it was also analysed which of these three categories (autonomy, competence, and relatedness), is most preferred by the students. For the fourth part, the optional question, this was broken down through a qualitative analysis using a data analytics tool. This was focused on frequencies of words mentioned and conclusions were drawn about the most important and most frequently mentioned points. In addition, all comments were read and particularly interesting ones with new impulses were presented in the results.

The second source of collected data, the conducted interviews were also presented in empirical findings in chapter five, and then analysed in relation to theory and previous findings. Further these findings were also compared to the results from the questionnaire to investigate if any consistency existed between what the employers offer in relation to the results on what the younger generations expect and prefer.

## **2.7 Reliability and validity of the study**

This research paper is using mixed methods, but the main method is the quantitative survey. According to Bryman and Bell (2011) the criteria of reliability and validity is more appropriate for quantitative studies. For qualitative studies, the criteria of credibility, transferability, dependability, and confirmability are more appropriate, and credibility and transferability will be discussed below, since this study also include two qualitative interviews. Credibility and transferability are closely related to the criteria of reliability and validity. To secure the reliability and validity of this study, several considerations and decisions were made.

Regarding the secondary data that was compiled for literature review and theory, only peer-reviewed studies were included to strengthen the reliability. Also, the authors of the articles were investigated to make sure that they were all researchers and affiliated to a research

institution like a university. The rating of the journals where the papers were published was also checked, but it should be stressed that this was not a primary criterion. Focus was on the relevance of the paper for this study. Further, results and findings from all studies included have been compared to judge if the conclusions made were reasonable and plausible. Further, any limitations with the studies were mapped to judge how useful and valid their findings were in a broader sense. Since the literature generally found similar results and made similar conclusions, we feel comfortable with the reliability of the studies. External reliability, which refers to what extent the study can be replicated with the same results on another group of people for instance (Bryman & Bell, 2011), can be discussed in this study. It is difficult to say whether the results found in this study will be valid when studying a different sample from the population of Millennials and Zoomers, or other employers than the ones interviewed in the study. Even though the interviewees are from international companies, both work at the Swedish offices. It is therefore not necessary that the findings would be the same using a more global perspective. Further, the master programs included in the sample are international. So, even though the largest nationality in the sample is Swedish, a broad range of nationalities are represented which strengthen the reliability of the results in a broader, global sense. Regarding the interviews, as previously mentioned, no recording was done to enable the interviewees to be outspoken. As a result, no transcription was done of the data, which can affect the reliability. Since both authors took notes during the interview, we feel comfortable that the truth is mediated, even though we are not referring to quotes or what the interviewees said word for word.

To secure the reliability of the data collected through the survey, it was not possible to answer the questionnaire more than once using their email-address to which the questionnaire was sent. It was also only possible to choose one answer for each question, to not disturb the results. To ensure the validity of the data, it was made certain that the questions were easy to comprehend and did not require any pre-existing knowledge. The questions only referred to the students' own perception and every question was described in a clear way to avoid misunderstandings, which otherwise can be a problem with self-completion questionnaires (Bryman & Bell, 2011).

Regarding the criterion of credibility which to large extent relates to internal validity (Bryman & Bell, 2011), this study aims for credible results that, to as large extent as possible, reflect social reality. Incorporating two different perspectives, employee and employer, reduces the risk of presenting only a one-sided picture of the social reality of the younger generation and

their expectations and preferences. However, to further strengthen the validity, triangulation could have been used, for instance by also using interviews with Millennials and Zoomers as a source to extract data in combination with the questionnaire. Due to the time constraints with this thesis, this was not possible to perform, which therefore is a limitation with the chosen research approach. The pairwise comparisons used in the questionnaire of this study also aims to strengthen the credibility of this research paper in relation to previous findings. This since it enables us to find more detailed information regarding what is of most importance to the younger generation, what do they prefer the most, not only what is of general importance.

The criterion of transferability is also highly relevant to discuss since the scope of this research paper is limited using a specific sample and interview partners. The sample is of limited size since only master students at one business school is included. The biggest nationality in the sample is Swedish, but the programs included are international with several different nationalities which means that it should give a broader picture of the expectations and preferences of business students in general, not only the Swedish view. To be able to get the results completely transferable, a bigger and more diverse sample should have been used. This is a limitation to be aware of when drawing conclusions in this research paper. Further, the employers that have been interviewed are both international companies, but only Swedish offices have been interviewed due to the fact that the authors behind this paper are located in Sweden. Only having two employer perspectives and two interviewees is a limitation when it comes to the transferability of the findings, but beneficial is at least that both interviewees work at big firms and have long experience of working and managing the younger generation of employees.

### **3. Literature review**

#### **3.1 Literature review about expectations of Generation Y and Z**

The literature review focuses on what previous research has found regarding the expectations of Generation Y and Generation Z, as these represent the majority of master's students in Business Administration at Lund University School of Economics and Management. The years covered by the generations are from 1980 to 1996 (Generation Y / Millennials) and 1997 to 2012 (Generation Z / Zoomers) (Boysen, Daste & Northern, 2016).

The structure of the following literature review was chosen after analysing several articles and seeing which topics are the most discussed. These topics are presented below, starting with flexibility. Based on this, the order was chosen according to the SDT which is addressed in the problematisation and is assigned to the three psychological needs: autonomy, competence, and relatedness.

#### **Flexibility**

Flexibility counts as an important expectation of the coming generation entering the world of work. This includes home office, flexible working hours, their self-organisation and generally the degree of work-life balance. For the future generations, work-life balance is of high importance and therefore it is vital that they can shape and control their own time and allocation (Maloni, Hiatt & Campbell, 2019; Petroulas, Brown & Sundin, 2010). It is likely that generations even communicate the preference for flexibility because of its importance (Myers & Sadaghiani, 2010). Ramesh & Vasuki (2013) also found that maintaining work-life balance is crucial for the upcoming generation and therefore flexible working hours and structured autonomy should be provided. In a study by Aggarwal, Sadhna, Gupta, Mittal and Rastogi (2020), flexible work practices were found to have a positive impact on job satisfaction and work effectiveness. This is partly because the given flexibility changes the focus to the outcome rather than the time spent working.

Despite the importance of positive work-life balance, the boundary between work and home is more blurred among the upcoming generation of workers, as flexible working hours and workplace make it easier to integrate into life (Ramesh & Vasuki, 2013). Millennials appreciate being able to do other things while working from home and take advantage of the flexibility

(Schweitzer & Lyons, 2010). Nevertheless, a study from 2015 found that both Generation Y (45%) and Generation Z (28%) see a corporate office as their preferred work environment, alongside a co-working space as a second choice, Generation Z with 27% and Generation Y with 26%. Home office was given as the third choice with 19% for Generation Z and 13% for Generation Y (Ozkan & Solmaz, 2015). This survey was conducted 7 years ago and in addition, during the Covid-19 pandemic, the majority were forced to work and study from home and could feel the advantages and disadvantages themselves, so the values might have changed when conducted again. Another point about the workplace is that the internet allows people to collaborate from different locations and work-from-everywhere is increasingly preferred (Ramesh & Vasuki, 2013).

Flexibility leaves the next generation with their valued leisure time, which is more important to them than work. Work serves as a way to achieve the lifestyle they prefer and want to achieve (Myers & Sadaghiani, 2010). For the previous Boomer generation, work was seen as the centre of life (Maloni, Hiatt & Campbell, 2019) and 55–60-hour weeks were accepted. It can be assumed that career is not a primary motivator for the younger generations and extreme working hours and irregular schedules should be avoided due to the motivation of the coming generations (Maloni, Hiatt & Campbell, 2019; Myers & Sadaghiani, 2010).

### **Trust**

Offering flexibility requires trust on both sides. The feeling that the employee is trusted is important for Generation Y and Z. Generation Y, at 58%, is slightly more likely than Generation Z, at 46%, to want their supervisors to let them work independently (Ozkan & Solmaz, 2015). Furthermore, trust between employees and their supervisors allows for better feedback on their work, which has a positive impact on performance (Aggarwal et al, 2020). It is important to note, however, that too much trust and a high degree of autonomy at the job can lead to unethical behaviour, such as decisions that threaten the company (Ratajczak, 2020).

### **Supervision / Feedback**

Previously, it was mentioned that trust is important in order to provide constructive feedback. This is particularly preferred by Millennials and Zoomers, as they expect a close relationship and frequent feedback from supervisors (Myers & Sadaghiani, 2010). They see feedback as an opportunity for personal development, which can enhance their performance (Leslie, Anderson, Bickham, Horman, Overly, Gentry, Callahan & King, 2021). Furthermore, it is

important to the young generation that feedback is provided quickly after their performance and to a sufficient extent, which, according to Ramesh & Vasuki (2013), may be related to the fact that these generations have less patience. Chillakuri (2020) also concluded that Millennials have less patience and therefore want immediate feedback. Author's research also found that Deloitte, for example, is moving towards a reinvented performance management with frequent check-ins and coaching sessions. The author also lists companies such as Accenture, Deloitte, KPMG, Microsoft that are moving away from traditional appraisal. The new performance management focuses on the future and the development of employees and does not exclusively evaluate past performance. Discussions in feedback meetings focus on "what the individual will do" rather than "what the individual did". It is also important to Millennials that feedback is carried out in a way that does not compare them to other people. They argue that it is unfair to compare people who are in different engagements, as each company is different in complexity and uniqueness (Chillakuri, 2020).

### **Rewards**

Another form of feedback is rewards or bonuses. Generations Y and Z want to be fairly compensated for their work; they see salary as a financial exchange for their time invested in the work (Leslie et al. 2021). Rewards can be compiled in various forms. These include, for example, profit-sharing programmes or stock options (Aggarwal et al. 2020). For the younger generation, a complete compensation package also consists of linking pay to performance (Ramesh & Vasuki, 2013). It is important to the generation that it is recognised when more than the usual is worked, and this is rewarded in the form of a bonus (Leslie et al. 2021). As with the preference for feedback to come frequently, rewards are also preferred more often. In terms of the frequency of rewards, Stewart, Oliver, Cravens and Oishi (2017) refer to a study conducted by PwC, which found that 41% of Millennials want to receive recognition or rewards for their work performance at least every month. The preference for frequent recognition is also confirmed by Ramesh and Vasuki (2013). The authors find that Generation Y and Z prefer immediate gratification to sustained and long-term (Ramesh & Vasuki, 2013). Aggarwal et al. (2020) summed it up by saying that in order to attract, motivate and retain Generation Z employees, great attention must be paid to compensation and benefits packages.

### **Training / Workshops**

Besides rewards that reflect performance, Generation Y and Z are interested in training in the form of workshops or other forms of knowledge development. The generations prefer learning

and will therefore thrive for and be more successful in companies that continuously develop their skills and provide them with new knowledge. As a result of this particular preference, professional training and other forms of education are highly valued by Generation Y and motivate them. It is also their motivation that drives performance. The opportunity to learn and develop is consequently a driving factor for organisational performance (Petroulas, Brown & Sundin, 2010). Maloni, Hiatt & Campbell (2019) confirm this point, research found that Generation Y strongly believes that education leads to future success as intrinsic skills enable extrinsic outcomes. In addition, intrinsic values are very important to future generations (Maloni, Hiatt & Campbell, 2019). Another study of university students conducted by Schweitzer and Lyons (2010) even found that Generation Y training and skills development, as well as providing training, is an expectation of employees to their employer. Ramesh and Vasuki (2013) also say that Generation Y and Z expect enough space for learning. In addition, the authors described Generation Y and Z as those who can learn new things quickly. These trainings and workshops can be, for example, advanced training by experts, or comprehensive guidance, feedback, and support from their supervisors (Leslie et al. 2021; Maloni, Hiatt & Campbell, 2019).

### **Culture**

In addition to a culture that supports learning, Millennials and Zoomers are interested in a fair and transparent culture where they do not have to be afraid. They also favour flat hierarchies and question authority, even showing relatively little respect for rank and authority (Ozkan & Solmaz, 2015; Ramesh & Vasuki, 2013).

Furthermore, the next generation of workers wants to feel good at work. This can be created, for example, by a relaxed dress code, because this way they do not worry about whether they are dressed properly for work. In addition, open spaces, plenty of light and sufficient necessary tools can lead to a pleasant working environment (Leslie et al. 2021; Mihalca, 2018).

### **Communication**

A transparent and open corporate culture makes communication easier. This meets the expectation of the younger generation as they demand open communication with engaging discussions and transparency (Chillakuri, 2020). Myers and Sadaghiani (2010) lists several aspects that need to be communicated on a regular basis, these are sharing information, giving bad news, regularly evaluating work performance, creating a supportive climate, soliciting

suggestions and appropriate sharing. According to Ramesh & Vasuki (2013), generations Y and Z can communicate effectively and show openness in expressing ideas. At the same time, they expect a high level of communication within the organisation (Maloni, Hiatt & Campbell, 2019). Additionally, the employer and manager should be approachable, understanding, and good at listening (Leslie et al. 2021). The study by Ozkan & Solmaz (2015) confirms these preferences, finding that clear communication and listening to ideas and opinions is even a bit more important to Generation Z (61%) than to Generation Y (56%).

It is clear that communication is important, so employers should set up feedback channels, which can motivate the younger generations as it facilitates communication and the exchange of feedback (Schroth, 2019). Also, communication through frequent touch points with managers and individuals can help talk about progress and obstacles (Chillakuri, 2020).

According to Leslie et al. (2021), open and constructive communication is key to success. Communicative interaction in the workplace helps to build and maintain working relationships within the team and can positively influence performance. Furthermore, regular communication also strengthens intergenerational working relationships and promotes greater knowledge sharing (Myers & Sadaghiani, 2010).

The high expectations of the coming generations can be met with criticism, as transparent communication is demanded with regard to far-reaching areas. Status, structure or even etiquette are sometimes disregarded. This can lead to older workers feeling disrespected by those to come. Millennials and Zoomers are also unlikely to accept a company policy where information is shared on a need-to-know basis. They would strongly prefer to be kept informed. Managers are already surprised that the younger generations expect strategic plans and similar to be shared with them as well, even though it was created by the management level (Myers & Sadaghiani, 2010).

Despite the problems, effective communication should be created as it is of key importance for generations Y and Z, and it reinforces a sense of belonging to a group. These human connections make their work more positive, motivate and improve performance (Petroulas, Brown & Sundin, 2010).

## **Teamwork**

Good communication and human connections within the company also improve the social environment and group work. Great team spirit and cohesion are important for future generations. A study by Ozkan & Solmaz (2015) found that 88.4% are open to working in a group. Myers & Sadaghiani (2010) and Leslie et al. (2021) confirm that colleagues cooperate with supervisors and expect emotional understanding from colleagues and supervisors. The character traits of Generation Y and Z fit well with group work. Besides teamwork and communication skills, the generations show a strong morale and work ethic. Additionally, the younger generation is sociable and more cooperative (Maloni, Hiatt & Campbell, 2019; Ramesh & Vasuki, 2013). Moreover, Millennials and Zoomers are used to group work, which makes interaction more enjoyable, this is due to the frequent group-based learning and projects of school and university days. One reason why the younger generation prefers group work is because they feel it is more fun and risk is spread across multiple members when making decisions (Myers & Sadaghiani, 2010).

Teamwork builds trust and morale among employees because the different generations, old and young, can learn from each other. In addition, it creates intergenerational relationships and harmony (Ramesh & Vasuki, 2013). The supportive team environment enables independent thinking to occur, more possibilities to be considered and unnecessary risk to be avoided. In addition, increased interaction leads to closer working relationships between supervisors and employees, which can lead to longer-term commitment to the company, as well as long-term satisfaction. However, a negative aspect of group work is that teamwork and group meetings can be time consuming (Myers & Sadaghiani, 2010). Besides that, the preference for a home office creates problems for communication and group work, because there are fewer touch points and less informal exchange takes place.

## **Peer recognition**

Previously, expectations and preferences regarding communication, group work and rewards were discussed. Another aspect related to these points is peer recognition. Millennials and Zoomers have an increased preference for regular praise and recognition from colleagues. In terms of the frequency of recognition, the study already mentioned above from Stewart et al. (2017) conducted by PwC shows that 41% of Millennials want to receive recognition or rewards for their work performance at least once a month. A study conducted by Petroulas, Brown and Sundin (2010) also showed that the younger generations expect to be recognised

for what they accomplish. This has a positive effect on their motivation. Peer recognition has a function primarily in increasing intrinsic motivation. In addition, recognition makes employees feel more attached to the company, which can have a positive impact on performance by increasing employee morale and providing personal fulfilment (Aggarwal et al. 2020).

### **Values**

Beyond expectations that the upcoming generations have towards their employers, they also pursue certain values and ideas. Millennials and Zoomers consider it important that their own values are in line with those of the company and the work environment and that they can identify with the company culture. This increases job satisfaction and loyalty, which has a positive impact on employee turnover (Maloni, Hiatt, & Campbell, 2019; Forastero, Sjabadhyni, & Mustika, 2018). These values are often linked to social impacts of their work. Generations are paying more attention to ethical values when choosing their employer (Leslie et al. 2021; Mihalca, 2018). If the values and expectations are not aligned with those of the employee, it can lead to conflicts, lower motivation, and lower performance (Myers & Sadaghiani, 2010).

A study on the upcoming generation found that they are more oriented towards short-term and find long-term demotivating compared to the older generation (Petroulas, Brown & Sundin, 2010). Ramesh & Vasuki (2013) also found that Generation Y and Z are result and performance oriented in the short term. However, other authors found the opposite. Maloni, Hiatt and Campbell (2019) found that the two generations are strongly focused on upward career opportunities and Ozkan & Solmaz (2015) also found that the younger generation want to secure their future at an early age. Maloni, Hiatt and Campbell's (2019) study of business students found that for both Generation Y and Z, stability values such as retirement, benefits and future are all in the top six most important. This indicates that job security is a key value, which is also emphasised several times by Mihalca (2018) as particularly important.

### **3.2 Employers view on next generations**

Previously, the perspective of the future generation on expectations and desires was described in detail. However, since there are two sides to an employment relationship, the other side, the employer side, should also be highlighted. For this purpose, first the similarities are briefly

mentioned and then how the young generation is perceived by employers. Finally, short recommendations for action from the literature are mentioned. This section will be used to support the interviews with managers and directors of the Big4.

Employers are aware that Millennials and Zoomers strive for job stability and predictability. In addition, the expectations regarding pay for performance of the younger generation are in line with employers' assumptions. The study by Böhlich and Axmann, (2020) on students and employers also showed that both sides are aware that they want to avoid overtime and extra work in order to have a good work-life balance. According to Konstam (2015), many employers are aware that the upcoming generation prefers flat hierarchies and that good working relationships are important. They also know that offering home office is necessary and regular feedback is crucial to achieve the best performance and motivation. Another point that arises is that employers are conscious that job-hopping is increasing, and the younger generation is willing to change jobs every one to two years.

Apart from the similarities, there are also presumptions about the coming generation, which can be both negative and positive. These assumptions can lead to different tensions in the workplace. Konstam (2015) has divided perceptions into, for example, (1) entitlement, self-indulgence, self-focus; (2) mentoring; and (3) work-life balance. On entitlement, Zenner-Höffkes et al. (2021) also finds in their study of managers in SMEs that the generation craves instant gratification and that it is more difficult to engage with them because they want everything immediately and are very ego-focused (Konstam, 2015). Myers and Sadaghiani (2010) confirm that Millennials are egotistical, and their selfish, demanding, and impatient behaviour often makes them appear arrogant to managers (Konstam, 2015). Regarding feedback, managers are aware that it must be extensive and regular. But this makes Millennials and Zoomers seem needy (Stewart et al. 2017). Managers also said that they feel that the younger generations need a lot of attention, through feedback, but also training and guidance. It is assumed that this is related to the fact that they want to know if they are doing the right thing (Hershatler & Epstein, 2010). The last point to be addressed is the perception of work-life balance. Due to the importance of the balance, it more often appears to the employer that Millennials and Zoomers show less loyalty, commitment, and engagement as they are less willing to work overtime (Zenner-Höffkes et al. 2021). In addition, managers have experienced that the younger generation separates work and private life more strongly and, for example,

does not answer emails and phone calls on weekends or holidays, which even comes across to some managers as lazy behaviour (Böhlich & Axmann, 2020; Myers & Sadaghiani, 2010).

However, managers do not only have negative perceptions of the coming generations. The different literature has shown, for example, that the intrinsic motivation as well as their passion should be particularly emphasised (Zenner-Höffkes et al. 2021). Furthermore, interview partners in Konstam's (2015) chapter described young people as smart and hardworking, especially when they are appreciated and praised. In addition to the authors who described the young generation as lazy, there are others who describe them as particularly flexible, as well as tolerant, open-minded, adventurous, and willing to experiment (Konstam, 2015).

The literature suggests recommendations on how to deal with the next generation. This includes setting clear boundaries and offering them the best possible support to improve performance. Furthermore, mentoring should be implemented, which is especially appreciated for the start and sustainment of careers. Mentoring also enhances performance and increases the sense of belonging and can thus avoid job hopping (Konstam, 2015).

## **4. Theory of motivation and control linked to the literature review**

In the following, the points from the literature review are linked to the relevant theory and the theoretical frameworks are explained in more detail. The previously presented expectations and preferences of the coming generation are strongly related to the self-determination theory (SDT) and motivation, which is why both SDT and types of motivation is explained. Motivation is strongly related to types of control, and therefore theory regarding enabling and coercive controls and levers of control will be explained. This is also included to be able to address the second research question “What does these expectations and preferences imply regarding what kind of management control should be used to support employee motivation, what challenges exist from a management control perspective?”.

### **4.1 Self-determination theory**

Since the aim of this paper includes the perspective of motivation and, the self-determination theory (SDT) is relevant to incorporate. SDT is one of many theories about motivation, it is a theory built on the idea of what creates human motivation, which is based on three psychological needs of the human. These three are autonomy, competence, and relatedness. Since these psychological needs relate to and are closely linked to previous literature on expectations and preferences of the younger generations, it is a suitable theory to include. The first psychological need, Autonomy, is the feeling of being able to control your own actions, being given flexibility and control over your own tasks. The locus or source of control should be internal in the human being, in order for them to feel autonomous. The feeling of being given autonomy is in other words the ability to be self-determined and be able to control and take your own decisions and choices (Deci & Ryan, 2000). What is further defined as the ability to pursue self-regulation and that what you perform is the result of self-endorsement. The second psychological need is competence which means the need for developing and thriving as a human being. It is about having deep know-how, gaining expertise and knowledge. The essence is for humans to feel that they can work effectively, that they are competent, which according to research is an area that usually is hindered due to organisational- and performance management related issues. Lastly, the third psychological need is relatedness, which is about feeling connected to other human beings in a social setting, such as in an organisation. A feeling of belonging among other people, where both the own feeling of contributing to others and the feeling of being cared for by other people is significant (Ryan & Deci, 2017). Neglecting these

three basic psychological needs can lead to detrimental effects in an organisation concerning its employees, which is important when talking about the relevance of fulfilling the expectations and preferences of Millennials and Zoomers, to avoid negative impact on satisfaction and motivation. Further, beyond these inner psychological needs, SDT also focuses on the notion that humans have an essential growth tendency which also forms a basis for their motivation (Deci & Ryan, 2000). These three needs secure personal well-being and motivation, and contribute to achieve autonomous motivation (Van der Hauwaert, Hoozée, Maussen & Bruggeman, 2021).

As mentioned before, the STD, refers to the structure of human motivation and what psychological needs should be fulfilled. These are autonomy, competence, and relatedness (Ryan & Deci, 2017). When elaborating on expectations of Generation Y and Z, most items fall into one of these categories. Flexibility, such as home office, flexible working hours, self-organisation and generally the degree of work-life balance, (Maloni, Hiatt & Campbell, 2019; Petroulas, Brown & Sundin, 2010) and trust (Ozkan & Solmaz, 2015) provide autonomy as it gives them a sense of control over their actions. Feedback (Chillakuri, 2020; Myers & Sadaghiani, 2010), rewards, for example financial bonuses, and workshops for knowledge development (Leslie et al. 2021; Maloni, Hiatt & Campbell, 2019) have an impact on competences and create a deeper know-how. Culture (Ozkan & Solmaz, 2015; Ramesh & Vasuki, 2013), open and transparent communication (Chillakuri, 2020; Maloni, Hiatt & Campbell, 2019; Myers & Sadaghiani, 2010), teamwork (Ozkan & Solmaz 2015; Myers & Sadaghiani, 2010; Leslie et al. 2021) and peer recognition (Stewart et al. 2017; Petroulas, Brown & Sundin, 2010) create a sense of relatedness. This is an important aspect why the theory was introduced and important for this research paper.

## **4.2 Types of motivation**

SDT is about human motivation and therefore it is necessary to describe the different types of motivation. Also, as aforementioned, the second research question increasingly takes the managerial perspective and raises the question of what type of controls should be used. In order to know how these different controls can affect motivation, it is first necessary to introduce the different types of motivation, focusing on intrinsic and extrinsic motivation.

Further on the topic of controls and their impact, the subject of motivation should be mentioned. When looking on the spectrum of motivation the one side extreme is intrinsic motivation (Dadiz & Baldwin, 2016), which is essential to focus on because previous studies (Chillakuri, 2020; Forastero, Sjabadhyni & Mustika, 2018; Maloni, Hiatt, & Campbell, 2019; Myers & Sadaghiani, 2010) show that Millennials and Zoomers in general are more intrinsically motivated. Intrinsic motivation can be described as being motivated by the act of doing something you find inherently interesting. It is internal motivation which relates to what you as a human value and feel good about doing. Further it is about exploring, learning, and developing as a human being. Intrinsic motivation needs to be supported and can if this is conducted in the right way, grow, and develop (Deci & Ryan, 2000). The aspects of SDT increase employee motivation, especially intrinsic motivation, therefore this type of motivation is crucial to be explained.

On the topic of intrinsic motivation, the authors further elaborate through describing the cognitive evaluation theory (CET). The focus within CET is the two needs of autonomy and competence, which are also part of the SDT, and the purpose is to explain why different degrees of intrinsic motivation can be created and what factors that affect this. It is about different social or environmental factors that can either benefit intrinsic motivation or hamper it. What CET suggests is that factors like communication, feedback, and rewards, that relate to the feeling of competence, will benefit intrinsic motivation. However, it is only positive feedback for instance that will have this effect, not negative. Further, the feeling of competence alone will not lead to intrinsic motivation, rather there must also be a sense of autonomy i.e., a feeling of self-determination and having own control. Above are all social aspects. Regarding the environmental aspects, the discussion is according to the authors rather between how much autonomy versus control that is applied. For instance, the notion that intrinsic motivation is diminished by extrinsic rewards, since these come from external parties rather than from inside the individual themselves. Also, other actions like setting deadlines, goals and providing directives can affect the intrinsic motivation negatively. Again, the reason why refers to what the authors refer to as “external perceived locus of causality” (Deci & Ryan, 2000, p. 70), which means that the individual perceives the action to be externally initiated and therefore controlling. As described, the cognitive evaluation theory elaborates on the enhancement of intrinsic motivation, pointing out that communication, feedback, and rewards enhance intrinsic motivation. However, only if these are positive (Deci & Ryan, 2000). This may be related to

their self-indulgence and self-focus which is perceived by the employer (Konstam, 2015; Myers & Sadaghiani, 2010; Zenner-Höffkes et al. 2021).

On the scale of motivation, intrinsic motivation is followed by “self-approval” and “approval by others”. This is followed by the other extreme of motivation, extrinsic motivation, as referred to above, it is built on external intervention in order to create and support motivation. (Dadiz & Baldwin, 2016). In essence it is motivation being created due to some external intervention, for instance monetary rewards (Deci & Ryan, 2000), which according to some previous studies are expected and motivating for Millennials and Zoomers (Aggarwal et al. 2020; Leslie et al. 2021). Since rewards have been found to be desired, there is a need to mention the crowding-out theory, which is about how external intervention, for instance financial rewards can have detrimental effects for the intrinsic motivation for humans. The intrinsic motivation they possess can be crowded out by extrinsic motivation. The crowding-out effect occurs more quickly than the reverse crowding-in effect, in which extrinsic motivation is displaced through intrinsic motivation (Ellingsen & Johannesson, 2007). Since intrinsic motivation is important for performance, there is a need for balancing how and to which extent rewards are given. It is important to inform about the crowding out effect, as it can have a significant effect on the motivation of Generation Y and Z. Analysis of various articles has shown that young workers are partly in favour of performance-based pay and extrinsic incentives such as monetary bonuses Aggarwal et al. 2020; Leslie et al. 2021; Ramesh & Vasuki, 2013). To reduce the crowding out effect of intrinsic motivation, management should take care to balance rewards when designing reward systems. Since intrinsic motivation is important for performance.

### **4.3 Enabling and coercive control**

How motivation is created, and what main types of motivation that exists has been clarified before. Now the question is what form of controls can be used to manage Millennials and Zoomers best and support the different types of motivation. Since this research paper also has a purpose linked to management control, theory regarding different types of controls is relevant to incorporate to be able to discuss the management control perspective. According to Adler & Borys (1996) and Ahrens & Chapman (2004) management controls can be divided into two types, enabling and coercive control. Coercive control is characterised by a top-down approach regarding control with the purpose of obtaining control over employees and employee actions.

It is based on certain organisational rules that are implemented by top management and which should be followed by employees. The employee itself is bound to certain ways of handling issues since the coercive control sets boundaries regarding what and how things should be done. It is strongly linked to the cybernetic types of controls where the main aim is to direct the organisation to follow pre-planned objectives, which can lead to higher efficiency. The other types of controls are the enabling controls, where the approaches are more towards bottom-up, with the aim of supporting the employees in their work, rather than primarily controlling them. The enabling control is built upon transparency and flexibility and the notion that actions cannot be totally programmed beforehand, which implies that employees need to be given certain amounts of freedom to adapt to changes and make their own decisions. Enabling use of control is further aimed at creating a deeper understanding of the organisation and processes for employees (Adler & Borys, 1996; Ahrens & Chapman, 2004). When connecting this theory with the expectations from Millennials and Zoomers that they are strongly in favour of flat hierarchies (Ozkan & Solmaz, 2015; Ramesh & Vasuki, 2013), coercive controls, which are characterised by the top- down approach, indicates a hierarchy work atmosphere is not the right type of control to meet their expectations. Therefore, enabling controls fit better with the style of the upcoming generation. There is an increased focus on employee support and provides transparency and flexibility, which is preferred by the next generation (Ahrens & Chapman, 2004).

#### **4.4 Levers of control**

On a deeper level, the different levers of control can be discussed, Simons (1994) has presented four levers of control. These are more closely related to different types of controls used in practice and easier for managers to understand and implement. The levers of control are closely linked to enabling and coercive controls. The four levers of control are: Belief systems, Boundary systems, Interactive control systems and Diagnostic control systems. Belief systems are managers' way of sending messages through symbols that have a guiding role for employees. They provide ways of thinking regarding how to act and how to solve problems that arise. Connected to the discussion about enabling and coercive control, belief systems are seen as enabling. The second control lever, Boundary systems set limits regarding what kind of actions are allowed for employees to take. From the top of the organisation, these controls provide limits for lower levels. Boundary systems are more coercive because they are decided upon by external forces rather than decided by the employee itself. Interactive control system

is the third lever and is in essence formal information systems, where managers can communicate and interact with lower-level employees. It is a way of involving themselves and interacting with the employees in different ways, creating dialogue within the organisation. Interactive control systems enable them as they aim to support employees, rather than control them. The fourth and last control system is the diagnostic, which is about formal information systems used by top management to measure and track outcomes in order to see if goals are being achieved (Simons, 1994). This control system has a purpose of controlling employees and therefore it is regarded as coercive.

These levers, like coercive and enabling control, can also be combined with the expectations of Generation X and Y. Values are of importance to the next generation and these should be sufficiently communicated (Forastero, Sjabadhyni, & Mustika, 2018; Leslie et al. 2021; Maloni, Hiatt, & Campbell, 2019; Mihalca, 2018). The belief system serves this purpose and should be applied. Flexibility is also crucial (Maloni, Hiatt & Campbell, 2019; Petroulas, Brown & Sundin, 2010), but Millennials and Zoomers do not want to do something wrong and should know within which boundaries they can move. For this reason, the boundary system should be used. Another essential finding from the literature review is communication (Chillakuri, 2020; Maloni, Hiatt & Campbell, 2019; Myers & Sadaghiani, 2010), group work (Leslie et al. 2021; Myers & Sadaghiani, 2010; Ozkan & Solmaz 2015) and feedback (Chillakuri, 2020; Myers & Sadaghiani, 2010). These points can best be taken into consideration in interactive controls and therefore should be used more often in designing management controls (Simons, 1994).

## **5. Empirical findings**

The empirical findings are divided into the results from the survey of master's students at LUSEM and the findings from the two interviews with managers with employee responsibility from the Big 4. First, the results of the survey are presented.

### **5.1 Results from the survey**

The online self-completing questionnaire was emailed to 447 LUSEM Master's students in Business Administration. After four days a reminder was sent to the students and after 10 days the survey was closed to prevent the link from being forwarded and to avoid any unsolicited responses. The email could not be delivered to one email address and therefore drops out of the sample. In addition, one response from a respondent aged 51 is outside the target group of the Millennial and Zoomer generation and will not be considered further. In total, there were 93 useful responses from 445 potential respondents, which corresponds to a response rate of 20.9%. Sekaran and Bougie (2016) put forward that generally a response rate of 30 % is considered to be satisfactory or a really good result. The response rate of the survey of 20,9% can be criticised for being not high enough to be satisfactory. However, as authors we have this in mind when drawing conclusions, that the response rate sets limitations in how representative the results are in the general population and how reliable and valid the results are. The remaining 352 students who received the survey unfortunately did not respond. However, we can still say that they are also master's students in the field of Business Administration and are most likely of a similar age as the students who completed the survey.

#### **5.1.1 Data**

The survey started with background questions about the individual. These were age, gender, master's programme, where they come from and whether they have relevant work experience. Additionally, they were asked if they had changed expectations due to having experienced the Covid-19 pandemic.

The results: 57% (n=53) of the respondents are female, the other 43% (n=40) are male. The ages range from 20 to 40 years, which are taken into account in the following, and have an average age of 25.5 years. In total, the respondents come from 30 different countries, 34.4% (n=32) of them from Sweden, which is the majority. The second most respondents come from

Germany with 12.9% (n=12). Of the respondents, over 73.1% (n=68) stated that they had relevant work experience, while the remaining 26.9% (n=25) did not. When asked if the Covid-19 pandemic had an impact on expectations, 78.5% (n=73) indicated “Yes”, 12.9% (n=12) indicated “No” and 8.6% (n=8) indicated “I don't know”. The response rate between the master’s programmes varies greatly and the response rates for the individual programmes are as follows: Accounting and Finance received 50% (n=41) responses, Entrepreneurship and Innovation 16.7% (n=11), International Marketing and Brand Management 11.7% (n=14), International Strategic Management 17.9% (n=10), Management 15.3% (n=9) and Managing People, Knowledge and Change 12.5% (n=8). By listing the percentages and total numbers of responses of the various programmes, it can be seen from which master's programmes most non-responders are. For example, from International Marketing and Brand Management, 105 students did not answer and from Managing People, Knowledge and Change, 56 students did not answer.

### **5.1.2 Descriptive part**

This part will describe the results from the different parts in the survey starting with the section called Scale which focused on the importance of certain expectations and preferences, related to the three psychological needs autonomy, competence and relatedness. The second section, Pairwise comparisons will present the results from the second part in the survey where the respondents had to state their preferences for one of two different employers, related to the three psychological needs. The third part called “Comments” will bring in the results from the open question where respondents were able to write something they considered of importance related to the topic.

#### **Scale**

In the next section of the survey, students were asked about their expectations regarding various aspects of autonomy, competence, and relatedness. These expectations had to be answered on a scale of one to five. These results are presented first as a whole and then in comparison to each other, such as male vs. female, Generation Z vs. Generation Y, differences between programmes, work experience vs. no work experience and Sweden compared to the rest of the world.

The average across all respondents for all expectations was 3.8 out of 5.0. The individual average values on the scale range from 3.4 (Flat hierarchies within the company are important

to me) to 4.6 (Open and transparent communication within the company is important to me), as can be seen in the following table 1: Results scale overall. In between are “Flexible and self-determined working hours are important to me” with 4.2, “Continuous workshops and training are important to me” with 3.9, “Regular and frequent (1 time per month) feedback is important to me” with 3.9 as well, “Recognition from my colleagues for successfully completed tasks is important to me” with 3.8, “The opportunity to work from home is important to me” with 3.6, “I prefer working in a team rather than independently” also with 3.6, and “I want to have a flexible bonus that is linked to my performance” with 3.5.

The items were categorised according to the psychological needs of the SDT in the theory section of this thesis. To repeat: “The opportunity to work from home is important to me” And “Flexible and self-determined working hours are important to me” are associated with autonomy. “Regular and frequent (1 time per month) feedback is important to me”, “I want to have a flexible bonus that is linked to my performance” and “Continuous workshops and training are important to me” are related to feelings of competence. And the last four: “Flat hierarchies within the company are important to me”, “Open and transparent communication within the company is important to me”, “I prefer to work in a team rather than independently” and “Recognition by my colleagues for successfully completing tasks is important to me” refer to relatedness. The average values of the individual fields hardly differ. Autonomy is rated on average with 3.9, competence with 3.8 and relatedness, as autonomy with 3.9.

Table 1: Results scale overall

Item	All	Standard deviation
The opportunity to work from home is important to me.	3,6	1,13
Flexible and self-determined working hours are important to me.	4,2	0,77
Regular and frequent (1 time per month) feedback is important to me.	3,9	1,08
I want to have a flexible bonus that is linked to my performance.	3,5	1,11
Continuous workshops and trainings are important to me.	3,9	0,94
Flat hierarchies within the company are important to me.	3,4	1,02
Open and transparent communication within the company is important to me.	4,6	0,52
I prefer working in a team rather than independently.	3,6	0,85
Recognition from my colleagues for successfully completed tasks is important to me.	3,8	0,86
	<b>3,8</b>	
Total amount (n)	93	

The previous table 1: Results scale overall shows not only the average of the various items but also the standard deviation, which describes how far the individual values of the answers are from the average. This shows that the respondents are quite in agreement when answering “Open and transparent communication within the company is important to me” with a standard deviation of 0.52 and “Flexible and self-determined working hours are important to me” with a standard deviation of 0.77 and that the individual answers deviate little from the average. On the other hand, the deviation is significantly higher with 1.13 for “The opportunity to work from home is important to me” and 1.11 for “I want to have a flexible bonus that is linked to my performance”, which indicates that the students are not entirely in consensus and that it depends on the individuals.

In the following comparisons between the results from the Likert scale regarding the different backgrounds, age, gender, master's programme, where they come from and whether they have relevant work experience, are presented. Thereby attention is always drawn to the largest differences. All other values can be found in appendix 3: Additional result tables. In terms of gender, the biggest differences are for “The opportunity to work from home is important to me” with 0.33 higher for females than for males, and for “Flat hierarchies within the company are important to me”, which female rates as 0.3 more important. Men, on the other hand, find “...a flexible bonus that is linked to my performance” 0.22 more important than women.

If the answers to the survey are grouped by age into Generation Y (born before 1996 - age 25+) and Generation Z (born after 1996 - age up to 24), there are larger differences in three expectations. Firstly, Generation Y rates training and workshops 0.59 more important than Generation Z, secondly, the possibility to work from home is 0.34 more important for Generation Y than for Generation Z and finally, Generation Y would like to see more flat hierarchies with 0.32.

Since most of the responses (more than one third) came from Sweden and the interviews are conducted with the Big4s from Sweden, the biggest differences between Sweden and the rest of the world are compared as follows. The biggest difference is in the preference for a performance-related bonus, which is rated less important (0.61) than the rest of the world on average. In addition, regular feedback is less important to Swedes than to the rest of the world, with a score of 0.33. On the other hand, Swedes rate recognition from colleagues with 0.36 more important than the rest.

The distinction as to whether relevant work experience is available or not has an influence on the perception of personal preferences and knowledge about the opportunities offered by employers. Students who have work experience rate flat hierarchies with 0.35, recognition of colleagues with 0.33 and workshops with 0.31 more important than students who have not yet gained work experience.

Another look is taken at the expectations of the points mentioned with regard to the master's programme. Overall, the expectations are quite balanced on average across all nine points. "International Marketing and Brand Management" is the lowest with an average value of 3.7, the programmes "Accounting and Finance" and "International Strategic Management" follow with 3.8, and a value of 3.9 is achieved by "Entrepreneurship and Innovation" and "Management". The highest score of 4.1 is achieved by "Managing People, Knowledge and Change". Within the individual points, there are deviations of up to 1.0 between the different programmes; these are, for example, between "Managing People, Knowledge and Change" and "International Marketing and Brand Management" when it comes to the importance of flat hierarchies, which are demanded more by the former, or between "Managing People, Knowledge and Change" and "Management" when it comes to "Flexible and self-determined working hours are important to me." which the "management" students consider less important with 0.9. Similarities between the programmes can be found above all in "Open and transparent communication within the company is important to me" and "Recognition from my colleagues for successfully completed tasks is important to me" There is only a maximum deviation of 0.3 respectively 0.4 between the different programmes. The entire table with the individual expectations can be found in the end of appendix 3: Additional result tables.

A closer view is taken of the Accounting and Finance programmes, due to their high response rate. These are looked at in comparison to the rest, as seen in the table 2: Accounting and Finance students compared to the rest on the next page.

In terms of the overall average, there is hardly any difference between the 41 Accounting and Finance students with 3.8 and the rest with 3.9 on average out of the 52 responses. The biggest difference is in "Regular and frequent (1 time per month) feedback is important to me" and "Flat hierarchies within the company are important to me". Feedback was considered less important with 0.31 and flat hierarchies less important with 0.23. The only items that

Accounting and Finance students consider more important compared to the rest are the possibility to work from home and flexible and self-determined working hours, but these are marginal at only 0.08 and 0.05 respectively.

Table 2: Accounting and Finance students compared to the rest

Item	Accounting and Finance	Rest of students	Difference
The opportunity to work from home is important to me.	3,7	3,6	0,08
Flexible and self-determined working hours are important to me.	4,2	4,2	0,05
Regular and frequent (1 time per month) feedback is important to me.	3,7	4,0	-0,31
I want to have a flexible bonus that is linked to my performance.	3,5	3,6	-0,02
Continuous workshops and trainings are important to me.	3,9	4,0	-0,17
Flat hierarchies within the company are important to me.	3,3	3,5	-0,23
Open and transparent communication within the company is important to me.	4,5	4,7	-0,19
I prefer working in a team rather than independently.	3,5	3,6	-0,10
Recognition from my colleagues for successfully completed tasks is important to me.	3,8	3,9	-0,02
	<b>3,8</b>	<b>3,9</b>	<b>-0,10</b>
Total amount (n)	41	52	

### Pairwise comparison

After the Likert scale in the questionnaire, the students were asked about their preference in the comparison of two different expectations. The background to this is to examine the importance of the different aspects in comparison, because as an employer, it is difficult to respond to and fulfil all the expectations of the next generation. The following table 3: Pairwise preferences give a complete overview of the results of this part of the survey. The table shows the individual items that were compared with each other and what the students preferred. There was also the option to be indifferent. The numbers are absolute values and the sum of “Prefer Option 1”, “Indifferent” and “Prefer Option 2” gives the 93 participations in the survey.

Table 3: Pairwise preferences

Option 1	Prefer Option 1	Indifferent	Prefer Option 2	Option 2
The opportunity to work from home.	49	9	35	Regular and frequent (1 time per month) feedback.
Flexible and self-determined working hours.	49	12	32	Continuous workshops and trainings.
The opportunity to work from home.	43	11	39	Continuous workshops and trainings.
Flexible and self-determined working hours.	56	14	23	Regular and frequent (1 time per month) feedback.
Regular and frequent (1 time per month) feedback.	8	16	69	Open and transparent communication within the company.
Continuous workshops and trainings.	40	16	37	Working in a team rather than independently.
Regular and frequent (1 time per month) feedback.	40	12	41	Working in a team rather than independently.
Continuous workshops and trainings.	17	13	63	Open and transparent communication within the company.
The opportunity to work from home.	30	12	51	Open and transparent communication within the company.
Flexible and self-determined working hours.	49	21	23	Working in a team rather than independently.
The opportunity to work from home.	37	24	32	Working in a team rather than independently.
Flexible and self-determined working hours.	33	25	35	Open and transparent communication within the company.

The strongest differences are found between “Open and transparent communication within the company” and “Regular and frequent (1 time per month) feedback”. The students preferred open communication to regular feedback 61 times. There was also a clear difference between open communication and “Continuous workshops and training” with 46 more decisions in favour of open communication. In addition, the comparison showed that “Flexible and self-determined working hours” is preferred compared to feedback, with a difference of 33 decisions.

In addition to the expectations associated with SDT, two comparisons were asked. The first is: “You get a salary 25% above the industry average” vs. “You find the task you do inherently interesting”, asking about the type of motivation, whether the motivation is intrinsically or extrinsically increased. The result was that 18 students prefer higher salary and 60 find it more important that the tasks are interesting, the remaining 15 are indifferent. The second comparison is between: “You need to track your time (log-in or chip card)” and “At the end of the week you have to send an overview of the tasks you have done to your supervisor”. The result was that 22 students would track their time, 60 would prefer to send an overview to their supervisor at the end of the week and 11 are indifferent.

The following table 4: Pairwise vs. scale, is based on the preferences from the survey, which are also listed in table above. For the table below, the indifferent statements were disregarded and then the number of preferences per particular item was added up. Based on this, a ranking was created that shows the importance of the six different expectations that can be assigned to the psychological needs: relatedness, autonomy, and competence. This is compared to the importance results from the previous survey part, using the Likert scale.

When comparing different expectations with each other, “Open and transparent communication within the company” received the most approval with a total of 218. Followed by “Flexible and self-determined working hours” with 187, the third most important expectation was “The opportunity to work from home” with 159, followed by “Working in a team rather than independently” with 133. The least popular expectation was “Continuous workshops and training” with 128 choices and “Regular and frequent (1 time per month) feedback” with 106 choices.

The pairwise comparison partially confirmed what the Likert scale revealed. For example, “Open and transparent communication within the company” is rated highest in both the Likert scale with 4.6 and the pairwise comparison with 218, followed in the Likert scale and pairwise comparison by “Flexible and self-determined working hours” with 4.2 and 187 respectively. The following expectations “The opportunity to work from home” and “Working in a team rather than independently” were considered more important in the pairwise comparison than in the Likert scale. In the Likert scale, both reached a value of 3.6, but in the pair-wise comparison they are ahead of “Continuous workshops and trainings” and “Regular and frequent (1 time per month) feedback”, which reached 3.9 in the Likert scale. It can therefore be seen that the perception and importance can change in a comparison.

Table 4: Pairwise vs. scale

	<b>Pairwise</b>	<b>Scale</b>	<b>Need</b>
Open and transparent communication within the company.	218	4,6	Relatedness
Flexible and self-determined working hours.	187	4,2	Autonomy
The opportunity to work from home.	159	3,6	Autonomy
Working in a team rather than independently.	133	3,6	Relatedness
Continuous workshops and trainings.	128	3,9	Competence
Regular and frequent (1 time per month) feedback.	106	3,9	Competence

In the Likert scale, hardly any differences were found in the importance of the different psychological needs, with average ratings of 3.9 for autonomy and relatedness and 3.8 for competence. The pairwise comparison, however, showed that relatedness (351) and autonomy (346) were of particular importance to the students. Competence, on the other hand, was less frequently preferred with a value of 234. The values were obtained by adding the number of decisions per item from the different psychological needs, which are stated in the right column in the table 4: Pairwise vs. scale.

### Comments

In the survey, respondents had the opportunity to answer the question: “What is particularly important to you about your potential employer? (Optional response, but highly appreciated)”. It is clearly stated that the answer is optional, so it can be assumed that respondents are particularly interested in these aspects if they have answered. Of the 93 responses, 63 respondents answered this question in varying degrees of detail from two to 82 words and an average of 18 words.

Communication and flexibility were mentioned particularly frequently, as can also be seen from the evaluation of the individual expectations. Regarding flexibility and the topic of home office, it was mentioned that this person saw a risk to their work-life balance, as “with remote working this line can become a bit blurred” and no complete separation would take place. In relation to work-life balance, the comment “People work to live, not live to work” stands out, which shows what the focus should be. However, according to the comments, flexibility is about even more than self-determined working hours and home office; in addition, there was a comment that called for “Freedom to work from a country abroad.” was called for. The reason given was that as long as the work was done and was available during office hours, no problem would be seen in working from a neighbouring country, for example. In addition, the word “trust” was mentioned several times and in the same context “no micromanagement” as an example, especially the comment “micromanagement is a BIG NO!” shows that it is of high importance.

Other terms increasingly mentioned were “opportunities”, “understanding”, “appreciation”, “support” and “mentorship”. Linked to mentorship, it was also mentioned that “friendship relationship to all colleagues, including your boss” is preferred at work. In addition, it is important to some students that the values of the company match those of the students and that intrinsic motivation is present in the type of motivation. An applicable comment in this regard is: “The tasks I'm doing need to be incredibly interesting to me otherwise I lose interest. Additionally in the same line, I like (some of) my responsibilities to change every half year or so, even if it's just slightly, otherwise I get bored.”.

Finally, it was often mentioned that it is important for the next generation that companies adapt quickly to new challenges and changes, such as “working from home and inflation”. These factors are strongly influenced by the current situation due to the Covid-19 pandemic and the political situation.

## **5.2 Findings from interviews**

Two semi-structured interviews were conducted with one Manager and one Director working at two different companies within the Big4 audit and consulting firms. The findings from these two interviews relate to the employers' perspectives regarding their experiences with the new generations, as well as the findings on how they work to meet and fulfil the expectations and

preferences that the new generations have towards their employer in order to be satisfied. In addition, before the interviews, the interviewees were asked to complete a short survey with eight questions about the extent to which they fulfil the expectations of the master's students. These results will be compared with the students' results later.

### **5.2.1 Employers experience**

Initially, employers' experiences of Millennials and Zoomers differed although some characteristics were common. The Director, for example, mentioned that what distinguishes these younger generations is that they are very results-oriented and with a strong focus on advancing quickly. Staying in the same place in the organisation and performing repetitive tasks is of less interest to Millennials and Zoomers. They want things to move at a fast pace and do not really understand the importance of learning the basics properly before advancing. The Manager agrees and confirms this experience and adds that it will be a challenge to keep these generations happy and motivated as a result of this preference to constantly move forward quickly. It will be a challenge to keep people in jobs that involve routine and repetitive tasks. These characteristics are different from previous generations and the Manager suggests that the younger generation is demanding because of this restlessness, precisely from the perspective of keeping them motivated. Other characteristics that distinguish the younger generations, according to the Manager, are that they can be self-centred about their work. They think more about finishing their own work and care less about how the team is doing. As an example, the Manager mentioned that sometimes young colleagues of hers close their laptops on a Friday after they have finished their tasks without thinking about the whole engagement to take it further and ask for additional tasks. This may be a result of the reluctance to take on more work than the working hours dictate.

### **5.2.2 Moment of change**

The interviewees are both aware that adjustments in the management style were necessary. The Director for example, said that 10-20 years ago management had no feelings and that the focus was only on the company. Today it has changed and due to the faster moving world, companies also have to adapt faster. Now the company has more respect for individuals and listens more to the wishes of employees and tries to implement them if it is possible within the company and does not reduce the overall performance. The Manager also talks about regular adjustments. Especially within the last five years, the expectations of the new employees have changed a lot and major adjustments have become necessary.

### **5.2.3 Meeting expectations and preferences of Millennials and Zoomers**

Both interviewees believe that the work-life balance is much more relevant for the younger generations than in the past. This manifests itself in a reluctance to work overtime according to the Manager, and the younger generations are not similarly driven to work more than full time. Rather, what motivates them is to have a work-life balance, where, for example, they have the option to work from home and have flexibility in their working hours. This is also something that the Manager believes employers offer to some extent. As the Manager and Director interviewed work within the Big4, the limited flexibility is due to working for a client who may have certain requirements in terms of physical presence, working hours and so on. Here both employers have the same perspective, and they are similar in terms of how much flexibility can be offered to the employee. Linked to expectations and preferences for working from home and flexible working hours, one employer has changed and enabled this where possible, precisely to accommodate what the younger generations are asking for. This hybrid model means that, as far as possible, people can decide when and where they do their work, as long as the job gets done. Linked to overtime, changes have also been made here according to the Manager. The choice today is between a higher fixed salary where you are expected to work the hours the situation requires, or a lower salary with paid overtime in cash or time off. Further, the Manager describes that the majority have chosen the higher fixed salary, regardless of which generation they belong to. The number of overtime hours has decreased as a result, and it is worth noting that this preference thus seems to be common to many employees and not specific to a particular generation. The change thus allowed for more work-life balance and has been well received by employees. Linked to this with pay, the Director also explained that they have bonuses at higher levels, but the younger generation prefers a fixed salary, the bonus system is one of the elements that they have changed which has been well received.

In addition to the topics of work from home and flexible working hours, other topics were also asked about and discussed. These include, for example, regular feedback and evaluation of employees' work and effort, both employers have implemented this in their company, according to the Director, offering some form of feedback at least once a month. According to the Manager, they offer formal feedback to employees three times a year, but also explained that informal feedback is not formally implemented in the company, but that it is the ambition of employees to receive feedback on their tasks or the work they have done. In the same vein, she spoke of open communication being necessary to share informal feedback. The Director

also rated the implementation in the company of open and transparent communication very strongly.

In terms of workshops and training for employees, this is something that both employers offer on a large scale, provided that programmes are implemented. The Director, for example, explains that new employees are included in their training programme from the very beginning and thus have the opportunity to learn new things all the time. In addition, both managers rated “Working in a team rather than independently.” with the highest score. This shows that knowledge sharing among colleagues should be increased in order to strengthen knowledge and the learning curve and that in general there are flat hierarchies within the company, to promote the communication between different experience levels, as indicated in the survey.

#### **5.2.4 Challenges**

The Manager says that the hybrid model brings convenience through home-office and less travel time, as well as the possibility to make the employees’ day more flexible. But the big problem she sees is that there is less interaction between employees, which leads to less collaboration. Social interaction is necessary to maintain the culture of the company. Of course, there is still the possibility to talk via Microsoft Teams, for example, but she says that face-to-face brings different results. Overall, she says that through home office things are missed and less rapid development takes place. Also, the Manager sees a problem with employees hiding at home and thus it can have an impact on overall performance. The Director confirms these arguments and also mentions the importance of interaction with experienced employees to keep the learning curve steep, in addition he sees the benefits of interaction between young and experienced generations on both sides. He therefore pursues the strategy of giving new employees priority in the office for at least the first year after entering.

Another challenge mentioned by the Director is the communication about expectations that are not implemented. This communication is very time consuming. The Manager had similar views and at the same time referred to the problem of frequent job changes when not all expectations are fulfilled. Therefore, it was a high priority for the company to address the problem of overtime quickly. On the issue of job-hopping, the Manager also spoke of the problem that the younger generation do not like to do repetitive tasks and are quick to look around when there is no new challenge. To solve this problem a lot of communication effort is needed.

## **6. Discussion**

The discussion is divided in three parts. First the findings from the literature review are linked to the results from the survey and outcomes from the interviews. Afterwards the analysis is connected to the theory and a managerial perspective is used to reflect the overall findings in relation to motivation and control. This is followed by limitations of this thesis and proposals for future research.

### **6.1 Linking literature review with empirical findings**

To answer the first research question “What are the expectations and preferences of business students to feel satisfied and motivated? What do they value the most and can trade-offs be discovered regarding what to prioritise?”, a detailed literature review and a survey of business administration students were conducted. The results revealed points of agreement but also points of disagreement. In addition, two interviews were performed with companies from the Big4 in order to include the employer perspective, how the new generation affects them and what preferences are expressed there.

The literature review shows that flexibility is considered an important expectation of the coming generation. This includes home office, flexible working hours, their self-organisation and work-life balance in general. This is confirmed by both the survey and the interviews. There was an increased demand for flexible working hours in the survey and the low standard deviation shows that the students agree on this. It was clear from the interviews that work-life balance is of high importance to the young generation and that overtime is reluctantly accepted. The interview with the manager revealed that the work-life balance is so important to the young employees that they sometimes appear self-centred and show less commitment. A 2015 study presented in the literature review shows that home-office was reported as less important with 19% for Generation Z and 13% for Generation Y (Ozkan & Solmaz, 2015). In a way that confirms the survey picture, it was not seen as particularly important by all, but presumably the figure is higher nowadays. The interviews showed that since the Covid-19 pandemic, more employees are asking for and even demanding the possibility of a home office.

The reviewed literature states that the younger generation finds feedback important and sees it as an opportunity for personal development. The interviews indicate that personal development is important for the new generation and that they are impatient in their development, but it is

not clear whether a lot of feedback is required. The pairwise comparison showed that feedback is demanded quite low compared to the other aspects.

When talking about rewards and compensation, the literature says that for young generations a complete compensation package also includes a pay to performance component. The survey showed that it strongly depends on the person, which is why there is a high standard deviation. In addition, one company within the Big4 has changed its compensation package and abolished the flexible bonus for the first years after joining. This may only be at the Big4 company in Sweden, as the survey also showed that especially the Swedes put less emphasis on a flexible bonus that depends on performance. Further interviews with Big4 companies from different regions would be necessary to see how it looks in other countries.

The younger generations feel more comfortable and are more successful in companies that continuously develop their skills and provide them with new knowledge. Moreover, professional training and other forms of workshops are highly valued by them, according to the analysis of literature. Like feedback, workshops were less frequently chosen in the pairwise comparison. Nevertheless, employers have introduced a training programme specifically for the beginning. Training is important to build trust and competence, which is what makes it possible to give autonomy to employees. But they also see that students are impatient and tend to want to learn new things very quickly without fully understanding some procedures. This corresponds with the fact that some of the students are less interested in workshops.

Communication was the most important item in the survey, both in the Likert scale and in the pairwise comparison, and the standard deviation was also the lowest, indicating that it is important to students across the board. In addition, communication is one of the most frequently mentioned words in the optional comments. In the interviews it was said that communication is essential and frequent touchpoints are necessary to maintain the culture of the company. Therefore, home office is seen as potential a risk as it reduces communication and close interaction, and a balance has to be created.

A study by Ozkan & Solmaz (2015) analysed in the literature review found that 88.4% are open to working in a group. However, the survey found that it is not quite as important and ranks it fourth out of the six items in the pairwise comparison. It would also be quite difficult to implement since students want the possibility to work from home, which would make

interactive teamwork more difficult. The literature says that teamwork builds trust and morale among the staff, especially through the exchange between the different generations, and they can also learn from each other. From the interview with the Director, communication between the different levels of experience is particularly encouraged, citing the same benefits that emerged from the literature. In order to promote this process, the company pursues a strategy of avoiding home offices as much as possible in the first year after entering the company.

The survey showed that peer recognition is important to students to a certain extent. According to the literature, peer recognition increases intrinsic motivation and makes employees feel more connected to the company. From a managerial perspective, it should therefore be emphasised that it takes place in the Big4 company, because the interviews show that there is often job hopping, especially when it involves repetitive tasks, and it is difficult to retain the young generation in the long term, which constitutes a problem for management.

There are no major differences between the different study programmes or between genders, which means that this seems to be of minor importance for people's expectations and preferences. It should be noted, however, that the response rates for all degree programmes except accounting and finance were low, which may have influenced this result. Regarding differences between the literature review and the results of the survey, as well as the interviews, these may be due to the change in perception caused by the Covid-19 pandemic. In the survey, 78.5% said that the pandemic changed their expectations towards their employer. In addition, the interviews confirmed that they feel a different expectation since the pandemic, especially in terms of flexibility, such as self-determination of working hours and home office.

## **6.2 Motivation and control from a managerial perspective**

Beforehand, it was analysed to what extent the findings from the literature review correspond to the results from the survey and the findings from the interviews. The following section addresses the second research question “What does these expectations and preferences imply regarding what kind of management control should be used to support employee motivation, what challenges exist from a management control perspective?”. Therefore, the previous results will first be linked to the presented theories of motivation and control and afterwards, possible dilemmas and difficulties are highlighted.

## **Motivation**

The elaboration of the literature review and the findings have influenced the structure of the thesis and therefore the similarity to the SDT was chosen. It was confirmed that the students' values are closely aligned with it and especially importance is perceived in relatedness and autonomy, as shown by the pairwise comparison where the students value flexibility and open communication, which is something that needs to be offered to motivate the upcoming generation. SDT is about the inner psychological needs associated with intrinsic motivation as it comes from within the individual who wants to fulfil their needs and grow as a person. That the students and young professionals are intrinsically motivated is also evident from the findings of the interview, where it is said that repetitive tasks are disliked. In addition, the survey shows that Swedes are not very extrinsically motivated, as in the Likert scale, the value for the item of the question about bonus linked to performance was rated the lowest. Furthermore, in the pairwise comparison, 60 times students preferred an inherently interesting task and only 18 times higher salary. At this point, it can be said that, from a managerial point of view, less emphasis should be placed on bonus when prioritising the fulfilment of the various expectations as it has less positive influence on motivation. It can only lead to a crowding out effect whereby intrinsic motivation is crowded out by extrinsic motivation.

Another psychological need, according to SDT, is competence. However, as the pairwise comparison in the survey showed, this component is the least preferred. It was shown that both workshops and trainings were not often preferred when compared, which fits with the statements in the interviews saying that the younger generation is not interested in doing repetitive tasks and only want to have interesting tasks. The young employees even prefer to get these tasks directly want to advance quickly. This is related to the high intrinsic motivation and makes it a challenge for managers to design tasks that maintain intrinsic motivation.

High intrinsic motivation is also vital when it comes to job satisfaction and employee retainment. Especially the companies within the Big4 repeat the problem of job hopping. The likelihood that Accounting & Finance graduates will start in one of the Big4 companies is higher than in the other programmes, so a closer look is taken here. The survey shows that these students do not value peer recognition as much as the rest, but the literature says that peer recognition has a positive effect on the commitment to the company. Therefore, in addition to designing interesting tasks, it may be advisable to foster a culture where peer recognition is high in order to improve employee retention and counteract the problem of job hopping.

## **Control**

Motivation is strongly dependent on the way employees are managed and, accordingly, the controls also have a significant effect on motivation. For this reason, it is important to discuss the type of control, which should be used. For this purpose, the type of control, enabling or coercive, will be discussed first and then taken to a deeper level using the four levers of control by Simons (1994) from the theory chapter.

In general, when selecting the type of control, care should be taken that it corresponds to the expectations of the coming generation of workers. On the one hand, autonomy is required. From the theory on enabling and coercive controls it emerged that enabling controls offer autonomy and are therefore usually more suitable if the task type allows it. The analysis here focuses on master's students and audit and consulting firms, so it can be assumed that enabling controls can be applied to more qualitative tasks in everyday work. On the other hand, for repetitive tasks, it is often advantageous from the company's point of view to rely on coercive controls. A frequent comment in the survey was that micromanagement should be avoided, which is why management is recommended to use coercive controls only to a limited extent. From a managerial perspective, the intrinsic motivation of the younger generation should be in the focus and therefore the most suitable type of control should be chosen, but it is more difficult to answer, "how should they keep the younger generation motivated when they have to do routine tasks efficiently?" and when they have to do repetitive tasks that are important for learning and development in order to develop the required competence. Relying on only one type of control is probably not a solution, a balanced distribution of controls is necessary.

One level down, the four levers are assigned to enabling and coercive control types. Interactive controls system and belief system are enabling controls and boundary system and diagnostic controls are coercive controls. Due to the importance of open and transparent communication, the interactive control system should be considered as a major component, as it strengthens the communication between different levels and can thus lead to better exchange and build trust. Communication, trust, and a sense of community can have a positive impact on the intrinsic motivation of employees and preferred by the students. It can though be challenging that due to home office and flexible working hours, there are fewer points of contact and less time together in the office, which may affect the intrinsic motivation negatively. Another enabling control is the belief system. Therefore, there should be more communication regarding the corporate culture, which leads to a commitment and, from a managerial point of view, could

improve the problem of long-term employee retention. As mentioned, not only enabling controls should be focused on, but also coercive controls should be implemented to a balanced extent. Boundary controls set limits, but still offer flexibility and freedom within these limits as long as the work is done, which relates to the findings from the interview about having freedom as long as the work gets done. It is also important to set limits from a managerial point of view. This lever of control therefore offers advantages for management without having a strong negative impact on employee motivation.

### **Challenges**

On the one hand it is difficult to fulfil all expectations, where insight into what is most important is valuable from a management control perspective. However, on top of that there can be various challenges and dilemmas, especially from the management control perspective. Taking up the psychological needs again, the students prefer relatedness and autonomy. In the analysis, however, it turned out that autonomy, such as home office, leads to less communication, which is important for satisfying the need for relatedness. This might constitute a challenge for management. The survey also showed that competence seems to be less important. However, a certain level of competence is necessary from a managerial perspective to be able to offer autonomy to employees. Therefore, competence has to be created first in order to be able to offer autonomy afterwards, but how should the employer motivate the young generation to do so? Further, since the employees want to move fast and not motivated by doing basic tasks, this serves as a challenge for the employer. Especially since employee retention is a frequently mentioned problem in for example the Big4 companies and motivation contributes to employees staying longer in the company. A suitable balance must be sought and found.

The choice of controls must also be balanced. From the findings regarding the perspective of the upcoming entry generation, there should only be enabling controls, since these are satisfying and motivating the younger generation. But from the company's perspective, there must be coercive controls, as some tasks can be done most efficiently this way. However, it is important that the motivation is not negatively affected by this and, if possible, the manager can try to adapt the type of task in a way that in the long run the emphasis can be put more towards enabling controls.

Another point is that the focus in the thesis is on the younger generation, but the changes implemented by management must apply to all employees. If preferences and expectations differ between generations, it can be a conflict and a challenge for management to choose changes that meet the expectations of all employees. Some of the literature has touched on generational differences. Whether these differences still exist after the Covid 19 pandemic can be reflected upon, because the view has changed among students according to the survey and this may also be the case for the older generations. If there are differences, the question is how big are they? For example, in terms of work-life balance and flexibility, possibly the need for autonomy applies to all generations, not specifically Millennials and Zoomers, and would have a positive impact on the whole organisation by offering it to all employees. Regarding the discussion above, a critical perspective must be applied to all of the above-mentioned points, which refers to how big the differences really are between generations, and how much something can be generalised to one generation only. This since it affects the potential challenges that exist from a management control perspective in satisfying and motivating employees from different generations. It is important to stress that previous literature has shown that differences exist, but if all of these still exist after Covid-19 can be questioned, especially since the view on work-life balance and flexibility might have changed. How big the differences are is yet to be explored by further research on this topic.

From the employees' perspective, there are also potential concerns. It is conceivable that the employees' sense of teamwork and belonging is reduced when almost everyone works from home. In addition, there is the individual risk that, despite the autonomy granted, the quality of the work-life balance is not improved, because through home office, the boundary between work and private life can quickly become a little blurred. Of course, this affects personal perception, therefore regular dialogue should be pursued to see if it has still a positive influence on motivation, or if necessary, steps should be taken to counteract it.

### **6.3 Limitations and further research**

As with any research, this paper is not free of limitations. In the following, the four main limitations are presented and suggestions for further research are given in order to overcome them in the future.

First, the method of the web-based self-completion survey was an efficient choice and allowed to collect a lot of answers quickly but has the disadvantage that we could not ask follow-up questions to get additional qualitative information. To avoid this problem in future research, there is the possibility of a mixed-method approach, in which a questionnaire is distributed and then an interview is conducted with selected persons of the sample to obtain further information. This also would enable data triangulation to further confirm the findings.

Second, most of the participants are still in the education system, thus their contact points with the working world are low, even if work experience was indicated, it can be assumed that it is short term due to the age of the participants. Their opinion might change as soon as they enter the labour market. The data collected through the survey is stated preferences, which may differ from revealed preferences, after starting working. In the future, a study could be designed as a longitudinal study in such a way that respondents are interviewed shortly before entering the labour market and then, for example, every six months over a two-year period, or a second time after about two years to see to what extent the stated preferences and the revealed preferences differ from each other.

Third, we as students are potential employees for the Big4 companies and have conducted the interviews. As a result, it might have happened that the interviewees were less honest with us to avoid offending us as potential employees. We consciously decided not to record the interviews to reduce the risk, but to what extent this is possible to do is questionable.

Last, our response rate is not as high as it should be according to general practice and does not fully meet the standard. Therefore, the results should be taken with a certain degree of caution. In the future, the problem could be addressed by giving more resources, in this case time, to collect responses for a little longer and possibly send multiple reminders.

Another suggestion for further research is a comparison between different generations in the professional world, as the literature has little to offer in this regard. In addition, the impact of the changes on the more experienced generations can be investigated, as adaptation in companies affects everyone and not only the new generation. For instance, how big differences that exist post Covid-19. Maybe generations are becoming more alike in their expectations, this is an interesting subject for further research since it has important practical implications from a management control perspective of how to control and motivate your employees.

## 7. Conclusion

To conclude, as far as the expectations and preferences of the next generation of workers and the results of the survey are concerned, it can first be stated that open and transparent communication, flexible working hours with a focus on work-life balance and continuous workshops were most preferred. The results are generally in line with what the earlier literature had shown. When given a choice, the younger generation still preferred open communication and self-determined and flexible working hours, which gives an insight into their preferences. In terms of SDT, relatedness and autonomy were most preferred. These needs should be prioritised by the employer to keep the young generation motivated and satisfied. Furthermore, the interviews confirmed the results of the survey, e.g., regarding self-determined working hours and work-life balance, but also pointed out the problem of motivating the younger generation in doing routine tasks. This is because the younger generation is mainly intrinsically motivated. The types of control that relate to the intrinsically motivated generations are enabling controls and at a deeper level, interactive control systems and belief systems.

Challenges exist since all three needs should be fulfilled, because for example competence is needed to provide autonomy. Furthermore, tasks should be designed in such a way that enabling controls are increasingly applied to benefit to the intrinsic motivation, but from a management perspective, coercive controls can partially increase efficiency. Therefore, retaining and keeping the younger employees motivated can be difficult.

In terms of the challenge for the employer to meet all expectations and preferences of all employees and in this case specifically the younger generation, this study helps to some extent to gain insight into the psychological needs that are most important for creating intrinsic motivation and retain employees. The given detailed insights into the types of expectations and preferences that create job satisfaction and motivation are beneficial from a management perspective. There are therefore both theoretical and practical implications related to the findings in this research paper.

## Appendix 1: Questionnaire

### Background

*These questions are used to categorise the answers according to background characteristics later on.*

1. How old are you?
2. Which gender do you feel you belong to?
3. Which Master's degree programme are you taking at LUSEM?
4. Which country are you from?
5. Do you have relevant work experience? (at least 1 year, incl. internships)

### Expectations - Scale:

*We ask you to answer the following statements on a scale of 1-5. Here, 5 describes complete agreement and 1 strong disagreement.*

6. The opportunity to from home is important to me. (Autonomy – Flexibility)
7. Flexible and self-determined working hours are important to me. (Autonomy – Trust)
8. Regular and frequent (1 time per month) feedback is important to me. (Competence – Feedback)
9. I want to have a flexible bonus that is linked to my performance. (Competence – Reward)
10. Continuous workshops and trainings are important to me. (Competence – Training)
11. Flat hierarchies within the company are important to me. (Relatedness – Culture)
12. Open and transparent communication within the company is important to me. (Relatedness – Communication)
13. I prefer working in a team rather than independently. (Relatedness – Group work)
14. Recognition from my colleagues for successfully completed tasks is important to me. (Relatedness – peer recognition)

### 3. Preferences - Pair-wise comparison:

*As an employer, it is difficult to respond to all the expectations of the next generation. Therefore, in the following we would like to know which of the two options you prefer.*

*Please answer on the scale from 1-5.*

*1 means I strongly prefer option 1;*

*2 means I prefer option 1;*

*3 means I am indifferent;*

*4 means I prefer option 2;*

*5 means I strongly prefer option 2.*

**Matrix:**

	<b>Autonomy</b> The opportunity to work from home is important to me. Flexible and self-determined working hours are important to me.	<b>Competence</b> Regular and frequent (1 time per month) feedback is important to me. Continuous workshops and trainings are important to me.	<b>Relatedness</b> Open and transparent communication within the company is important to me. I prefer working in a team rather than independently.
<b>Autonomy</b> The opportunity to work from home is important to me. Flexible and self-determined working hours are important to me.	X	Autonomy / Competence (AC)	Autonomy / Relatedness (AR)
<b>Competence</b> Regular and frequent (1 time per month) feedback is important to me. Continuous workshops and trainings are important to me.	X	X	Relatedness / Competence (RC)
<b>Relatedness</b> Open and transparent communication within the company is important to me. I prefer working in a team rather than independently.	X	X	X

**AC**

15. The opportunity to work from home is important to me.

vs.

Regular and frequent (1 time per month) feedback is important to me.

16. Flexible and self-determined working hours are important to me.

vs.

Continuous workshops and trainings are important to me.

17. The opportunity to work from home is important to me.

vs.

Continuous workshops and trainings are important to me.

18. Flexible and self-determined working hours are important to me.

vs.

Regular and frequent (1 time per month) feedback is important to me.

## **RC**

19. Regular and frequent (1 time per month) feedback is important to me.

vs.

Open and transparent communication within the company is important to me.

20. Continuous workshops and trainings are important to me.

vs.

I prefer working in a team rather than independently.

21. Regular and frequent (1 time per month) feedback is important to me.

vs.

I prefer working in a team rather than independently.

22. Continuous workshops and trainings are important to me.

vs.

Open and transparent communication within the company is important to me.

## **AR**

23. The opportunity to work from home is important to me.

vs.

Open and transparent communication within the company is important to me.

24. Flexible and self-determined working hours are important to me.

vs.

I prefer working in a team rather than independently.

25. The opportunity to work from home is important to me.

vs.

I prefer working in a team rather than independently.

26. Flexible and self-determined working hours are important to me.

vs.

Open and transparent communication within the company is important to me.

**➔ SDT 2 per psychological need = 12 comparisons in total**

27. You get a salary 25% above the industry average.

vs.

You find the task you do inherently interesting.

28. You need to track your time (log-in or chip card).

vs.

At the end of the week, you have to send an overview of the tasks you have done to your supervisor.

**Last question & comments:**

*We thank you very much for your time and would like to ask you one last question and give you the opportunity to express further expectations to your future employer.*

29. Do you think the Covid 19 pandemic has changed your perceptions and expectations?

30. What is particularly important to you about your potential employer?  
(Optional response, but highly appreciated)

## Appendix 2: Semi-structured interview

### Questions during the interview:

- What is your experience with the newer generations (age 20-30)? - (Way of working, collaboration, personal characteristics, etc.) And is there a difference towards the older generation?
- Was there a moment when you, as a company, thought the management style was out of date and not in line with the current / upcoming generation? Is it possible to give examples on changes if that was the case?
- What was the reaction like? And also, the result from the employer's point of view? – also job satisfaction
- We sent you a short survey before we got here today. We did that as described to see to what extent do you meet our expectations. Based on that, we'll first briefly go over the “gaps” and just have a bit of an exchange.
- What has turned out to be particularly important for us students are:
  - Open and transparent communication within the company is important to me.
  - Flexible and self-determined working hours are important to me.
  - Continuous workshops and trainings are important to me.
    - What do you do specifically to meet these expectations?
- The literature had listed other aspects that would be important to us students, but the survey of the 450 LUSEM Master students showed that, at least in this sample, it is not too important to us. These aspects are for example:
  - Flat hierarchies within the company are important to me.
  - I want to have a flexible bonus that is linked to my performance.
  - I prefer working in a team rather than independently.
- Do you see problems/conflicts in meeting the expectations of the younger generations? For example, I can imagine that through autonomy and home office, fewer touch points for knowledge transfer will take place. Is there anything else that has caused or will cause problems?
- Did employee expectations change as a result of the Covid-19 pandemic? Have more employees approached you and asked for home offices, for example?

## Appendix 3: Additional result tables

### Gender:

Item	Female	Male	Difference
The opportunity to work from home is important to me.	3,8	3,4	<b>0,33</b>
Flexible and self-determined working hours are important to me.	4,3	4,1	0,21
Regular and frequent (1 time per month) feedback is important to me.	3,9	3,9	0,06
I want to have a flexible bonus that is linked to my performance.	3,5	3,7	<b>-0,22</b>
Continuous workshops and trainings are important to me.	4,0	3,9	0,17
Flat hierarchies within the company are important to me.	3,5	3,3	<b>0,30</b>
Open and transparent communication within the company is important to me.	4,7	4,6	0,04
I prefer working in a team rather than independently.	3,6	3,4	0,21
Recognition from my colleagues for successfully completed tasks is important to me.	3,8	3,8	0,02
	<b>3,9</b>	<b>3,8</b>	<b>0,12</b>
Total amount (n)	53	40	

### Generation:

Item	Gen Y	Gen Z	Difference
The opportunity to work from home is important to me.	3,8	3,4	<b>0,34</b>
Flexible and self-determined working hours are important to me.	4,1	4,2	-0,10
Regular and frequent (1 time per month) feedback is important to me.	3,8	3,9	-0,10
I want to have a flexible bonus that is linked to my performance.	3,6	3,5	0,13
Continuous workshops and trainings are important to me.	4,2	3,6	<b>0,59</b>
Flat hierarchies within the company are important to me.	3,6	3,3	<b>0,32</b>
Open and transparent communication within the company is important to me.	4,7	4,6	0,02
I prefer working in a team rather than independently.	3,6	3,5	0,12
Recognition from my colleagues for successfully completed tasks is important to me.	3,8	3,9	-0,13
	<b>3,9</b>	<b>3,8</b>	<b>0,13</b>
Total amount (n)	36	57	

### Sweden vs. rest of the world:

Item	Sweden	Rest of the world	Difference
The opportunity to work from home is important to me.	3,5	3,7	-0,16
Flexible and self-determined working hours are important to me.	4,3	4,2	0,08
Regular and frequent (1 time per month) feedback is important to me.	3,7	4,0	<b>-0,33</b>
I want to have a flexible bonus that is linked to my performance.	3,2	3,8	<b>-0,61</b>
Continuous workshops and trainings are important to me.	3,8	4,0	-0,28
Flat hierarchies within the company are important to me.	3,3	3,5	-0,19
Open and transparent communication within the company is important to me.	4,7	4,7	0,00
I prefer working in a team rather than independently.	3,7	3,5	0,28
Recognition from my colleagues for successfully completed tasks is important to me.	4,1	3,7	<b>0,36</b>
	<b>3,8</b>	<b>3,9</b>	<b>-0,09</b>
Total amount (n)	32	61	

## Work experience:

Item	Work experience	Work experience	Difference
	- Yes -	- No -	
The opportunity to work from home is important to me.	3,7	3,4	0,24
Flexible and self-determined working hours are important to me.	4,2	4,1	0,13
Regular and frequent (1 time per month) feedback is important to me.	3,9	3,9	-0,05
I want to have a flexible bonus that is linked to my performance.	3,6	3,4	0,20
Continuous workshops and trainings are important to me.	4,0	3,7	<b>0,31</b>
Flat hierarchies within the company are important to me.	3,5	3,2	<b>0,35</b>
Open and transparent communication within the company is important to me.	4,7	4,5	0,17
I prefer working in a team rather than independently.	3,6	3,5	0,07
Recognition from my colleagues for successfully completed tasks is important to me.	3,9	3,6	<b>0,33</b>
	<b>3,9</b>	<b>3,7</b>	<b>0,19</b>
Total amount (n)	68	25	

## Program:

Item	Accounting and Finance	Entrepreneurship and Innovation	International Marketing and Brand Management	International Strategic Management	Management	Managing People, Knowledge and Change
	The opportunity to work from home is important to me.	3,7	3,4	3,7	3,5	3,2
Flexible and self-determined working hours are important to me.	4,2	4,1	4,1	4,1	3,9	4,8
Regular and frequent (1 time per month) feedback is important to me.	3,7	3,8	3,9	4,3	4,0	4,1
I want to have a flexible bonus that is linked to my performance.	3,5	3,8	3,5	3,5	3,7	3,3
Continuous workshops and trainings are important to me.	3,9	3,8	3,8	4,0	4,4	4,3
Flat hierarchies within the company are important to me.	3,3	3,9	3,1	3,2	3,4	4,1
Open and transparent communication within the company is important to me.	4,5	4,8	4,6	4,7	4,8	4,8
I prefer working in a team rather than independently.	3,5	3,7	3,3	3,4	4,0	3,8
Recognition from my colleagues for successfully completed tasks is important to me.	3,8	4,0	3,6	3,9	4,0	3,8
	<b>3,8</b>	<b>3,9</b>	<b>3,7</b>	<b>3,8</b>	<b>3,9</b>	<b>4,1</b>
Total amount (n)	41	11	14	10	9	8

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