Different Approaches in Recruiting Young Professionals

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Abstract

Young Professionals as a significant part of Generation Y have already been examined in various studies that focused on their views, attitudes, values etc. This paper examines the differences in the importance of work and life values among peers of the same age with similar background, but from different study groups. To test the propositions, a life value inventory was distributed among 262 students and alumni from two different study programs at the same Faculty between December 2016 and May 2017. The data were analyzed in the SPSS statistical software with the use of the k-means clustering. The hypotheses expecting differences in life and work values were partially confirmed. The findings are discussed within the framework of strategic leadership and the need of engaging stakeholders.

Keywords: Young Professionals, Generation Y, CEMS MIM, Life Values, Recruitment

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1. Introduction

In today's rapidly changing environment, not only we are as individuals facing challenge how to cope with turns. The labour market is also undergoing various changes and both employers and employees are expected to adapt to a new reality. Apart from a gentle shift to a subjective perception of career which can be observed for two decades already (Kirovová, 2011), one of the current topics for the employers and recruiters is how to attract recent graduates. Born in the 90's, they form part of Generation Y (Strauss, Howe, 1993). At this moment, they are the youngest workforce in the companies. It is believed that they are different from their parents and grandparents. Various studies show how their values vary from other generations (Schullery, 2013; Twenge et al., 2010a; Twenge et al., 2010b). However, there might be in-group variances even within Millenials, based on the year of birth and/or field of study.

In the Czech Republic, members of Generation Y were born into two different eras. Some of them came to the communist world that fell down in November 1989 and if they were old enough, they may remember those times. The elder of them were born before the transition of the regimes, the younger ones know about the time only from stories. Due to this historical context, different life values and attitudes are expected even within the generation (Flodrová, Šilerová, 2011).

Part of Generation Y is formed by Young Professionals – people aged between 20–30 who are employed in white-collar professions. As the Faculty of Business Administration at the University of Economics, Prague is focusing on education of this type of professions, this study aims at expected differences in life values among students from different study programmes. It is expected that about 70 % of students at the University of Economics, Prague work together with their study duties (Chládová, Lorenc, 2011).

There are three main study programmes at the Faculty of Business Administration that are offered to students. Through all of them, students do prepare for their future careers. Among the programmes, the CEMS MIM programme is special in both the way of choosing students and connecting theoretical knowledge with practical application. It is a prestigious 2-year master's programme awarded by the CEMS alliance. The alliance consists of 31 Academic Members and 70+ Corporate Partners. CEMS MIM programme is focusing on international environment connecting knowledge of management, economics, finance, marketing and different leadership as well as managerial skills. It is taught completely in English and at the University of Economics, Prague its students are selected during a demanding 2-round selection process. For the 1st round, applicants have to fulfill various requirements, e.g. prove English knowledge at C1 level, have relevant experience from abroad, show outstanding study results etc. The 2nd round consists of a very intensive assessment centre, where students are selected by both academics and representatives from corporate partners. For successful completion of the programme, the students also have to attend several block and skills seminars, internship abroad, study abroad and presenting practical business project based on demand from one of the programme's corporate partners. The programme has been continuously appraised in Top 10 in various rankings, including Financial Times Ranking and The Economist Ranking (Key Facts & Figures, cems.org). As the students have to go through more demanding selection process than the one for the "regular" Czech programme, the students of CEMS MIM are expected to be more motivated, result oriented and self-driven, so their expectation should thus be higher (Mayrhofer, Nordhaug and Obeso, 2009).

Apart from the prestigious CEMS MIM programme, the faculty offers a Czech study programme "Management". Students from both programmes are peers. However, there are much more Management students in each year-class and the classes have a different structure and content. Both groups grew up with similar background, but their preparation for a professional career is diverse. That is why their work expectations may also differ.

Companies will thus have to align the environment and culture towards Young Professionals and/or Generation Y expectations and also life values. One of the reasons is that, the Millenials are expected to

form ½ of the workforce in 2020 (PricewaterhousCoopers, 2011). The companies are advised to implement changes in their strategic leadership strategy. Especially because, a strategic leader is defined as someone who is able to flexibly adapt to changing situations (Shoemaker, Krupp and Howland, 2013). According to Shoemaker et al., there are 6 essentials strategic leadership skills that all leaders should implement. Especially one of the skills, to align, is linked with building trust and engaging stakeholders. As part of the strategic management, these changes should be reflected in changing organizational structures, creating new jobs and job titles, updating job analyses, etc.

In this context, the paper begins by a literature review and continues with main research question and development of hypotheses. Research methodology, research model and results of analyses will take place thereafter. At the end, the results will be discussed and recommendations for the future research will be provided.

2. Literature Review and Theoretical Framework

2.1. Young Professionals as part of Generation Y

The term "Generation Y" firstly appeared in literature at the beginning of 1990's (Strauss, Howe, 1993). When limiting the age, the authors set the 12-years olds (teenagers) and amended the interval of 10 years older and younger ones. The Generation Y was thus established of persons born between 1982 and 2004. However, various authors specify the Generation Y differently. There are minor divergences (i.e. years 1980 - 1982), nevertheless these are not considered of importance, mainly because people born closely usually have similar (shared) experience defining their values and attitudes (Parry & Urwin, 2010; in Schullery, 2013).

The Generation Y is also called "Millennials", "Net Generation", or "iGen". These names are linked with the fact that the member of the generation are first adults growing up with information and communication technologies (including internet) in day-to day basis. Generation Y is currently the youngest economical active generation but as of great importance, as it was already mentioned, by 2020 the Millennials are

expected to form half of all active workforce (PricewaterhouseCoopers, 2011).

The members of the Generation Y are strongly accenting their personal development. They expect to learn new things and processes through their whole life. Contrary to their parents, they take such things as granted. Accordingly, they seek emphasis on life-long learning, personal development and widening their horizons while looking for their future employers (PricewaterhouseCoopers, 2011; 2008). Such fact is important not only for them, but also for their future value at the job market. They consider their employment as a continuation of their education and pay attention to have something to offer to their future employers (De Hauw, De Vos, 2010).

Aside from all these facts, the members of the young generation also care for their personal life which they are not willing to completely sacrifice to their work life. More often than before, the work and salary are considered as a means of living in order to obtain sources for their ideal way of life (Twenge et al., 2010a). The majority of fresh graduates also choose their employers based on social responsibility and behaviour matching their own values. They would also consider leaving a company not matching their ideas in social responsibility (Hershatter, Epstein, 2010).

The changes at labour market are also related the flexibility of Generation Y peers. Not only do they offer flexibility, but they also expect to be granted by one. However, the flexibility is bringing different notion of fluctuation. The loyalty to employer is much lower at the Generation Y comparing to the generations of their parents and grandparents (Festing, Schäfer, 2014). Even while working well and gladly, they do not have any problem leaving the organization while seeing positive changes regarding their careers or lives in general. The change might be motivated not only by better financial offer, but also by the possibility of personal development, scope of employment, etc. The main goal of Human Resources (HR) department will change from gaining the Generation Y employees to maintaining them. Ware (2014) confirms such idea and gives proof of results of work motivation research by Integral Talent Systems Inc. The survey says that 60 % of

all respondents from Generation Y employed full-time in a company are looking for another employment.

Not only because of the facts stated above, the employers change their strategies related to human resources: ways of work, reward systems, means of hiring employees, talent programmes, etc. Twenge (2010b) recommends to employers willing to satisfy Generation Y employees to focus mainly on topics related with work-life balance and flexible work forms.

2.2. Life Values in the context of Career

Because most of the fresh graduates choose their employers according to the behaviour matching their own values, it is advisable to focus especially on the perception of these values. For their exploration, the Value Based Theory formulated by Duane Brown (1996) might be used.

2.2.1. Values Based Theory

The theory is taking into account the influence of so called work and cultural values on (not only) the choice of employment. It points out over-focusing of all current theories on values of euroatlantic civilization. Brown expects that for clarification of own (not only career) direction, the orientation in own values is crucial. And not only for choosing and selecting life roles, but also for individual satisfaction related to those roles.

After it was formed in 1996, the theory was revised at the beginning of a new millennium. Brown has accented differences between work and cultural values. After additional research, Brown (2002) has noted that work values are needed to be put into context also with the cultural values and individuals' backgrounds as well as with their experience and the most influencing factors (upbringing, home, religion, work). Main concept of the theory is a claim that each individual, during his or her life, is influenced by only several important values (for the individual), that create cognitive and affective behavioural patterns (Brown, 1996; in Patton, McMahon, 2006).

Brown is emphasizing the fact that, different life roles can satisfy different (life) values and it is not necessary that our work-lives satisfy or saturate all important individual values (Brown, Crace, 1996). Various life roles (work, family, free time, etc.) influence overall life satisfaction and saturate important life values.

From this Brown's theory originates the "Life Values Inventory" (Brown, Crace, 1996/2002) that is focusing on selecting the 14 most important relatively independent values.

2.2.2. Life Values Inventory

The inventory consists of 42 statements that measure 14 independent values: Achievement, Belonging, Concern for Environment, Concern for Others, Creativity, Financial Prosperity, Health and Activity, Humility, Independence, Loyalty to Family or Group (Interdependence), Privacy, Responsibility, Scientific Understanding and Spirituality. The intensity of approval or disapproval is marked on a 5-item Likert scale.

Each of the 14 values is saturated by 3 statements. In the evaluation stage, the 3 items are summed up and than the list of 14 life values is created, based on agreement of disagreement with the particular statement.

After filling in the inventory, the authors (Brown, Crace, 1996/2002) recommend to arrange the values according to their importance. The respondent is given the full list of 14 life values and creates the order based on the name and the importance he or she imposes on the values. After evaluating the results of the inventory, it is recommended to compare the results with the list created by the individual by summing up the statements with the list. In ideal case, the items should appear on similar level of importance in both lists.

Next step might be self-valuation and consideration of the particular values in three different life roles, such as: Work, Important Relationships and Leisure and Community Activities. It is probable that, in each role the list of values will be (slightly) different. It might be interesting for individuals to follow which values appear as the most important and which values are preferred in given roles. This deep evaluation is not considered for the uses of this article.

The main research question is: Are there significant differences in life values among students from different study groups and study backgrounds? The hypotheses are proposed as following:

H1: There is a difference in the importance of life values both connected and not connected to the work life.

H1.1: For CEMS MIM students, Achievement, Responsibility and Concern for Others is more important than for students of the study programme Management.

H1.2: For CEMS MIM students, Humility is less important than for students of the study programme Management.

H2: The importance of life values not connected to the work life (e.g. Concern for Others, Humility, Spirituality) of CEMS MIM students and alumni is similar.

3.   Research Method

3.1.   Sample and Data Collection

The Life Values inventory was distributed among three groups: (1) Management students – students from the Czech study programme who filled the questionnaire during the Leadership class in May 2017, (2) CEMS MIM students – who answered the questions during classes in December 2016 and May 2017 and (3) CEMS MIM alumni – who were asked to fill in the e-survey in March 2017. At this study, the third group is perceived as a control sample that should show if there are also differences among various groups of the same generation. The obtained data were analysed with IBM SPSS Statistics software.

The sample of Management students (n=107) consists of 42 men and 65 women aged 22 to 28 years (M = 23.7, SD = 1.06). The majority of them (n = 96) stated that they also work while pursuing their studies, in 82 cases it is a part-time job or internship. This result confirms the statement that many students from Czech programmes have some kind of a job while studying.

Within the sample of CEMS MIM students (n = 61), there are 29 men and 32 women aged 21 to 32 years (M = 24.8, SD = 1.64). More than a half of the respondents (n = 38) stated that, they also work while pursuing their studies, in 30 cases it is a part-time job or internship.

The control sample of CEMS MIM alumni (n = 94) involves 53 men and 41 women. The age ranges from 25 to 38 years (M = 30.7, SD = 3.79). More than 75 % of them (n = 78) are employed, 18 respondents have their own business (of which 9 are also employed at the same time), 2 are unemployed and 5 are on maternity or parental leave and do not work at the moment.

3.2.   Reliability

Despite the fact that internal consistency and reliability of Life Values Inventory has already been tested in the original version, the Cronbach's Alpha for each life value was calculated again. In all cases, the values exceed 0.5.

The coefficient is equal or higher than 0.7 in 10 out of 14 cases and only 4 life values take place in the lower interim 0.5 - 0.7. The lowest results are at the sub-scale "Independence" and "Interdependence - Loyalty to a Family or Group". The inventory can be considered as consistent and reliable.

Table 1: Cronbach's Alpha

Life Value	Cronbach's Alpha
ACHIEVEMENT	.73
BELONGING	.69
CONCERN FOR ENVIRONMENT	.86
CONCERN FOR OTHERS	.71
CREATIVITY	.85
FIN. PROSPERITY	.86
HEALTH & ACTIVITY	.85
HUMILITY	.61
INDEPENDENCE	.55
INTERDEPENDENCE	.52
PRIVACY	.79
RESPONSIBILITY	.76
SCIENT. UNDERSTAND.	.80
SPIRITUALITY	.87

3.3.   Cluster Analysis

For comparison of particular life values in the LVI (Life Values Inventory), the cluster analysis was chosen. In this particular case, the k-means clustering was used. In this method, the number of centres and thus the resulting number of clusters is set before the analysis. As the existence of three clusters was expected, before running the non-hierarchical clustering, the hierarchical analysis was run as first to verify the rightness of the assumptions. The resulting dendrogram confirmed the existence of three expected centres, so the k-means analysis was then used. The number of interactions in recounting centres at final clusters was thus set at 10 standard interactions.

The data were standardized before analysing, especially because of the interpretative lucidity. After allocating the respondents into clusters, the distribution of particular groups of respondents was verified (i.e. CEMS MIM students, CEMS MIM alumni and Management students) by Pearson's chi-squared test and analysis of adjusted residuals. Both methods confirmed the distribution of respondents in clusters into statistically relevant groups, so the results of the analysis can be explained.

4. Findings

The k-means clustering of standardized data shows notable differences in the importance of life values among various groups of Young Professionals and Generation Y representatives. At the first sight, it seems that for CEMS MIM students - comparing to the other groups - all values are important and the control sample, CEMS MIM alumni, do not care at all.
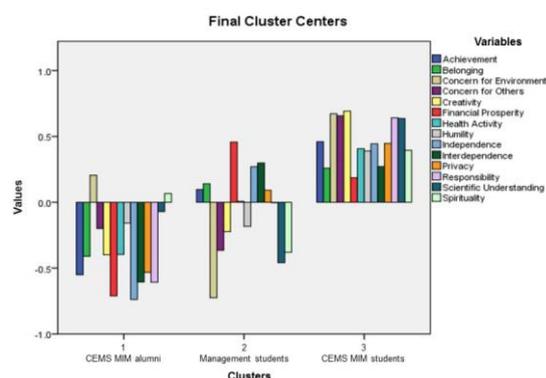

Figure 1. Cluster Analysis of Life Values

Compared to the students, alumni show lower degree of importance in the majority of the life values. The only two values, where CEMS MIM alumni show higher interest than mean, are Concern for Environment and Spirituality. However, the value is still on the lower level compared to CEMS MIM students. The highest differences between CEMS MIM members can be found in the value "Responsibility". The importance of Responsibility for CEMS MIM students is 4th highest and for CEMS MIM alumni, it is on the 4th lowest level. Even some of the non-work life values show different importance for both compared groups. For example, value "Concern for Others" is the 3rd most important for CEMS MIM students and the group of CEMS MIM alumni market the importance in the middle of the values ladder. The value "Spirituality" appears to be among the less important for CEMS MIM students (marked as nr.

11), and for the CEMS MIM alumni it is the 2nd most important one. The value "Humility" is the most important for CEMS MIM alumni and also 2nd most important for the cluster of CEMS MIM students. Hence, the H2 hypothesis is not supported.

Table 2: Life Values Ranking

Life Value	CEMS MIM alumni	CEMS MIM students	Management students
ACHIEVEMENT	10.	6.	5.
BELONGING	8.	13.	4.
CONCERN FOR ENVIRONMENT	1.	2.	14.
CONCERN FOR OTHERS	5.	3.	11.
CREATIVITY	7.	1.	10.
FIN. PROSPERITY	13.	14.	1.
HEALTH & ACTIVITY	6.	9.	7.
HUMILITY	4.	10.	9.
INDEPENDENCE	14.	8.	3.
INTERDEPENDENCE	12.	12.	2.
PRIVACY	9.	7.	6.
RESPONSIBILITY	11.	4.	8.
SCIENT. UNDERSTAND.	3.	5.	13.
SPIRITUALITY	2.	11.	12.

The very similar situation can be found among the two groups of the same-aged Young Professionals - students of two different programmes at the same Faculty. The difference of importance can be seen e.g. in the value "Creativity", where CEMS MIM students ranked it as nr. 1 and Management students as nr. 10 (out of 14). The value "Concern for Environment" is the 2nd most important for CEMS MIM students and Management students marked it as the less important. The value "Concern for Others" is nr. 3 for CEMS MIM students and nr. 11 for Management students. Very interesting is the importance of the value "Financial Prosperity" - CEMS MIM students marked it as the less important and Management students as the most important. The H1 hypothesis is supported.

Nevertheless, there are values that appeared at similar positions of the value ladder for both groups. The value "Spirituality" is among the less important values for both student clusters: 4th less important for CEMS MIM students and 3rd less important for Management

students. The value "Privacy" appears as nr. 7 for CEMS MIM students and as nr. 6 for Management students. "Humility" is ranked nr. 9 among CEMS MIM students and nr. 10 among Management students. That is why the hypothesis H1.2 is not supported.

The comparison of importance of the values "Achievement", "Concern for Others" and "Responsibility" partially supports the hypothesis H1.1. It has already been mentioned that "Concern for Others" is the 2nd most important for CEMS MIM students and the less important for Management students. "Responsibility" has been ranked as nr. 4 among CEMS MIM students and nr. 8 among Management students. The last compared value, "Achievement", appears at very similar positions in both groups - CEMS MIM students marked it as nr. 6 and Management students as nr. 5. Therefore, it can be assumed that, the expected higher degree of performance orientation of CEMS MIM students does not automatically mean the importance of the Achievement value at a higher position in the value system.

5. Conclusion and Discussions

From the literature review, it is evident that the members of Generation Y are accenting personal development, flexibility and personal life. The results of this research confirm the fact that, the different groups of Young Professionals do have different set of values and value orders connected with work as well as with non-working environment. That is why companies should have different approach towards the individual applicants/employees in order to be able to satisfy their important needs, values and expectations. If the expectations and values are met, then the employees' performance is higher and it brings (not only) wealth to the organizations and its stakeholders. The biggest differences between the groups are found in perception of Financial Prosperity, which is the crucial part of work life and compensation in the companies. Other differences are shown in perception of Concern for Environment, Concern for Others, Loyalty to family/group, and Scientific Understanding. On the other hand, there are similarities in perception of Achievement, Humility, Privacy and Spirituality.

The strategic leaders should thus consider aligning the changes to the organizational cultures and structures. By doing so, the job descriptions and content would be more appropriate to meet the values of Young Professionals as Generation Y members. As the values of

each individual differ, the changes should be flexible in order to meet the different value systems.

While recruiting the Young Professionals, the companies should explore the core values of candidates to be able to match their demands. As shown, such values differ not only between generations, but also within one. There might be some similarities among different reference groups (in our case CEMS MIM students and Management students), however, it is needed to be able to react more flexibly on the needs of employees.

It is thus a crucial task of the strategic leadership to not only be able to identify such need, but also to be able to communicate the need of changes through the whole organizations. Should the companies not adjust to the changes, they would have problems in attracting the best workers (human capital) from the group of Young Professionals. Only those who are able to meet the expectations and values of the candidates with the highest potential would be able to maintain the best human capital and by that gaining the competitive advantage. Where strategic leadership fails in providing the guidance, vision, flexibility and prediction, the companies are condemned to struggle for living.

One of the limitations of this study can be the values of Cronbach's Alpha. As some theories state that 0.5 value is sufficient, for high reliability it is recommended to have the value higher than 0.75. In this case, the results of 4 values would not meet these requirements.

As the inventory was distributed only among students from one university, findings might not be transferable to other organizations that work with Young Professionals. Thus, the results may be influenced by the culture at the university. Further research conducted at different university/tertiary educational institutions should verify these results.

For further research, it is also recommended to continue with these two groups of students and/or alumni. At this moment, it is confirmed that there are differences in the importance of life values. However, it is not only important for strategic leaders and recruiters of companies to know WHY there is the difference. These findings will also help to implement the (recruiting) strategies more properly.

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