

Exploring the Work Motivational Factors of Generation Z Workforce in Selected BPO Companies: Basis for Job Satisfaction

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ABSTRACT

This qualitative study explored the work motivational factors of the Generation Z workforce. Herzberg's Approach guided the study in relating situations where Generation Z participants perceived themselves as motivated (job satisfaction) with their work and, equally, in circumstances where they felt demotivated (job dissatisfaction). Hygiene factors (extrinsic) identified for motivating and satisfying this generation at work included a conducive work environment, favorable policies, supportive leaders and teammates, and a competitive salary. For the intrinsic motivating factors, Generation Z participants expressed a desire for continuous personal and career growth, as well as aspirations for job promotions. Regarding demotivators, Generation Z participants perceived issues related to salary disputes, changes in work conditions like remote work (WFH), undesirable interactions with teammates, and unsupportive leaders. They also mentioned lack of rewards and recognition in terms of employee engagement from their company. Additionally, they were demotivated by the absence of training and development opportunities. This study recommended programs for BPO companies aimed at motivating and satisfying Generation Z in the workplace. These included work schedule options, recognition and rewards, and training and development. Work schedule options encompassed flexible scheduling and compressed work weeks, while recognition and rewards consisted of flexible reward options and employee-driven recognition programs. Finally, training and development programs focused on technology utilization, leadership, and team building. Implementing these programs would assist BPO companies in adapting to Generation Z behavior, thereby retaining them in the workforce.

Keywords: Business Process Outsourcing (BPO), motivation, job satisfaction, Generation Z, hygiene factor

INTRODUCTION

Employee motivation serves as the cornerstone of productivity and success within the workplace, transcending mere rationale for actions to encompass the shaping of behaviors and alignment with evolving employee needs and desires. Its significance is particularly pronounced in industries undergoing rapid evolution, where motivated employees are indispensable for navigating dynamic challenges. However, despite its acknowledged importance, sustaining employee motivation poses an enduring challenge for organizational management, notably within sectors such as Business Process Outsourcing (BPO).

The emergence of Generation Z, individuals born between 1997 and 2012, into the workforce further complicated the landscape of employee motivation. With Generation Z and millennials now outnumbering

previous generations like the Baby Boomers and Generation X, understanding the distinctive behaviors and motivators of these younger cohorts becomes imperative for organizational success (Dimock, 2019). This demographic shift underscores the necessity for organizations to adapt their approaches to employee engagement and retention accordingly. In the realm of BPO, where internal functions are outsourced to external service providers, the challenge of sustaining employee motivation is particularly pronounced. Despite industry-standard offerings and dedicated efforts by BPO employers to retain their workforce, a persistent trend of high turnover rates, ranging between 30-40%, persists within the industry (Miguel, 2023). This discrepancy is underscored by observations of Generation Z employees exhibiting disproportionately higher turnover rates compared to their older counterparts, despite industry efforts to provide attractive incentives and benefits.

As someone intimately connected to the BPO industry, the researcher have firsthand witnessed the detrimental effects of high attrition and turnover rates on organizational stability and performance. This concern resonates deeply with industry stakeholders, prompting conversations and collaborations aimed at addressing this persistent challenge. Reflecting on personal experiences and discussions with industry peers, the imperative for a personalized and holistic approach to addressing turnover challenges within the BPO sector becomes increasingly apparent. Driven by a desire to contribute meaningful insights to address this pressing issue, this study endeavors to delve into the motivational factors influencing Generation Z employees' decisions to leave companies, despite available offerings. By exploring the disconnect between organizational initiatives and employee expectations, the aim is to inform the design of targeted retention strategies tailored to the needs and preferences of Generation Z workers. Ultimately, the goal is to foster a more comprehensive understanding of the motivational dynamics experienced by Generation Z across diverse work arrangements, thereby facilitating the development of effective initiatives to reduce attrition and turnover rates within the BPO industry.

RESEARCH QUESTIONS

This study examined the motivational factors impacting job satisfaction among Generation Z employees. It explored what motivates and demotivates Generation Z professionals and aimed to understand how three specific Business Process Outsourcing (BPO) companies in Northgate, Alabang, Muntinlupa, can better meet the work-related expectations of this generation. The research focused on three key questions, integral to the broader investigation, to gain insights into the factors driving Generation Z's motivation at work, enriching the analysis of their experiences and perspectives.

1. What factors motivate Generation Z to work for the BPO Company where they belong?
2. What motivational factors are not present in their current organization that the Generation Z workforce deem helpful for their job satisfaction?
3. What programs can be initiated by the selected BPO Companies to motivate the Generation Z workforce in pursuit of job satisfaction?

METHODOLOGY

Research Design

My study utilized qualitative research, particularly focus group discussions, to explore the motivational factors impacting Generation Z participants in the workplace. By analyzing transcripts from these discussions, valuable insights into job satisfaction were gathered, providing rich descriptions of their Experiences and perspectives.

Research Locale

My research was conducted in Northgate, Alabang, Muntinlupa, Metro Manila, a hotspot for Business

Process Outsourcing (BPO) companies. Three diverse BPO firms were chosen for their significant contributions to the industry, offering insights into various aspects of BPO work motivation among Generation Z employees.

Population and Sampling Design

My study included 18 employees from three BPO companies in Northgate, Alabang, Muntinlupa City, representing different production levels. Participants, including Customer Service Associates, Subject-Matter Experts, and Supervisors, were all regularized and had over six months of employment. Pseudonyms were used for privacy, and purposive sampling ensured alignment with research goals for data rigor.

Research Instrument

My study utilized a validated semi-structured interview guide to probe the work motivational factors of Generation Z employees. It included 10 questions covering participants' backgrounds, current roles, tenure, and company affiliations. The questions were tailored to address three research objectives: identifying motivational factors within the current organization, exploring absent motivational factors, and eliciting suggestions for job satisfaction programs.

Data Gathering Procedure

I obtained consent from the selected companies and participants before conducting focus group discussions (FGDs) at a coffee shop, chosen for convenience and optimal recording conditions. The FGDs, lasting about an hour each, involved participants discussing predetermined interview guide questions. Detailed notes were taken, and participants had the option to receive recorded or transcribed data afterward.

Management and Treatment of Data

Thematic analysis was employed to analyze the collected data, following the six steps outlined by Braun and Clarke (2006) for conducting thematic analysis. This structured approach facilitated the examination of the interview data.

RESULTS AND DISCUSSION

This chapter presented the findings of a thematic analysis conducted on data obtained through focus group discussions (FGD). Focused on the Generation Z cohort within the BPO workplace, the study aimed to explore work motivational factors. Results are categorized into intrinsic and extrinsic factors, analyzed in relation to existing literature. The subsequent section synthesizes the findings, discussing their alignment with the theoretical framework. Overall, this research sheds light on Generation Z's motivational landscape in the BPO industry, contributing to a broader understanding of workplace motivation.

I. Work Motivating Factors for the Generation Z

Table 2. Work Motivating Factors for the Generation Z

Hygiene Factors (Extrinsic)	Motivating Factors (Intrinsic)
1. Work Environment	1. Recognition
2. Policy	2. Personal and Career Growth
3. Leadership Quality	3. Advancement
4. Co-worker Relations	4. Responsibility
5. Salary, Bonuses, Compensation and Benefits	

The Generation Z participants described their work environment as characterized by **equality**, non-discrimination, and a welcoming atmosphere, fostering respect and dignity among team members. **Company policies**, particularly those addressing **inclusivity**, **diversity**, and **anti-bullying**, were highlighted as significant factors contributing to their sense of security and motivation. **Clear guidelines** and effective communication were deemed **essential for motivation** and task completion. **Supervisors/managers played a crucial role**, with most **participants citing supportive and**

empowering leadership styles. However, negative experiences with managers were also reported, underscoring the impact of poor leadership on job satisfaction. Strong **camaraderie among coworkers was emphasized**, contributing to a stress-free environment and lower attrition rates. Financial stability emerged as a primary motivator, with participants valuing competitive salaries and benefits. Additionally, opportunities for **advancement and professional growth were deemed essential** for retaining Generation Z employees. Further insights from Paulyne's research (2023) highlighted that **recognition, appreciation, and work-life balance policies** were also key factors influencing motivation and job satisfaction. Overall, the findings underscored the importance of aligning organizational practices with Generation Z's values and priorities to foster a highly motivated and satisfied workforce.

II. Demotivators in the Company

Table 3. Demotivators in the Company

Demotivator(s)	Codes	Excerpt
1. Salary	Salary Dispute, Unappreciated, Unsupportive, Training, Work Schedule, Flexibility, Engagement	"The drive to lessen the salary disputes of the employee. The company should take a more serious action in this policy since we have encountered a lot of salary disputes not just for agents (CSR) but for leadership, too." (AC)
2. Work Conditions		"The dispute is salary and sometimes lack of consideration for employees..." (CS)
3. Interpersonal Relations		"The follow up process especially for salary disputes can get tedious." (R.B)
4. Recognition and Rewards		"My company needs improvement with engagement to make every employee be heard and somehow feel that they have a vital role and not just a regular employee." (JS)
5. Career Growth		"Engagement. It is when employees feel appreciated at work. That we are not just seen as numbers but human beings. We deserve recognition." (JS)
		"Employee engagement, if inspires me when I am being appreciated and included." (M.A)
		"Recognition and rewards for leaders. It is already in the works but I think it could have been better if they already have it offered..." (KS)
		"Lack of employee appreciation could affect the motivation to work. ... my team being open to me about their feelings would tell me that they also want to feel appreciated..." (FBS)
		"I hope we can have work-from-home options." (CL)
		"There is no problem working on site, but the work I do can be done online, so, if the company offers WFH again it will a win-win since we can both save a lot." (F.D)
		"It was better before. There was an option in the past to do WFH, but the company suddenly changed it due to security breach. Work-life balance could have been promoted better if there is WFH option." (KS)
		"My team leader does not provide encouragement and coaching..." (ED)
		"The team-work, I feel some of my team mates are distant that is why they are not motivated." (IA)
		"...ment is training to help employees find the best career paths for them..." (SC)

Salary disputes prompted the Generation Z workforce to call for a more serious approach from the company in addressing these matters. According to an expert (Hays, 2019), on material motivation, the Generation Z indicated that the most important motivation factor was salary. Regarding the change in work conditions, like the **removal of the work-from-home (WFH) option**, the Generation Z workforce stressed the importance of work flexibility for achieving a better work-life balance. **Negative relationships with teammates** were seen as demotivator to job enjoyment by the Generation Z participants. They even said that their leader did not encourage, support, or coach them in their task. This finding coincided with the study (Hays, 2019), indicating that for the Generation Z generation, a good and friendly team, free communication with a manager/team leader, and career growth opportunities motivate them to work. Concerning recognition, the Generation Z **leader participants felt they lacked rewards and recognition** in the instance of employee engagement in their company. Though the rewards and recognition were already in the process, they expressed a preference for more immediate implementation. They also **emphasized the worth of continuous recognition**, particularly noting that **lacking**

appreciation could undesirably affect their motivation. In the context of career growth, the Generation Z workforce found lack of training and development opportunities and conveyed demoralization when perceived chances for moving up were limited.

III. Proposed Programs for Initiation by the BPO Companies

A. Work Schedule Options

- Remote work options. This is to provide flexibility in the work environment. Leverage technology could be provided to support virtual collaboration and communication. This is only practiced if applicable due to privacy concerns specific to some clients and companies.
- Flexible Scheduling. To enable flexible working hours for Generation Z employees and allow them to adapt their schedules to personal preferences, The company will implement a results-oriented approach, emphasizing deliverables over fixed working hours. This will strengthen workforce management by incorporating forecasting for incoming calls and average speed of answer (ASA) to enhance efficiency and responsiveness.
- Compressed Workweeks. To facilitate adaptable work hours for Generation Z staff, enabling them to tailor their schedules based on personal preferences. Adopt a results-focused strategy that prioritizes deliverables over rigid working hours. Enhance Workforce Management by integrating forecasting for incoming calls and Average Speed of Answer (ASA) to improve efficiency and responsiveness.

B. Recognition and Rewards

- Flexible Rewards Options. Flexible reward options to cater to diverse preferences include digital currencies (online shopping credits), unique experiences, and skill development opportunities. The company will tailor rewards with options for customization and subscriptions while incorporating sustainability and social impact initiatives. Health and wellness incentives, social recognition, and gamification elements will be prioritized. Lastly, employees shall be involved in designing processes for relevance and effectiveness.
- Employee-Driven Recognition Program. This program emphasizes customizable rewards and utilizes digital platforms for real-time acknowledgment. This is to promote a culture of peer-to-peer recognition. This approach aligns with Generation Z's values, emphasizing individuality, social impact, and immediate acknowledgment.

C. Training and Development

- Technology Utilization. This program can be done by leveraging online platforms, e-learning modules, and virtual classrooms to deliver training content tailored to the preferences and expertise of Generation Z employees. The training can incorporate virtual reality or simulation training for immersive learning experiences. In “Gen Z @ Work (Stillman & Jonah Stillman, 2017), the Generation Zers were considered the first ones born in a world “where everything (people and physical places) has a digital analog. Generation Z’s perception of this world is built on the combination of two of its aspects: physical and digital. For them, the digital world has become a part of the real, physical, world and is, thus, inseparable.
- Leadership and Team Building. Encouraging team dynamics will offer Generation Z employees opportunities for mentorship and learning. Since they value guidance from experienced team members, a supportive team culture will foster the sharing of knowledge and the development of skills. Thus, company should implement leadership development programs that cover strategic thinking, decision-making, and problem-solving along with offering workshops, seminars, or courses led by industry experts to find out more about leadership styles and approaches that cater to a multi-demographic workplace.

CONCLUSIONS

The investigation of my study went beyond merely identifying motivations; it explored the factors fueling interpersonal interactions among Generation Z workers. The research emphasized the pivotal role of human capital development, not only as a catalyst for organizational performance but also as a driving force for individual professional growth within this demographic. Furthermore, the study scrutinized elements such as work environment, leadership quality, work-life balance, compensation and benefits, career advancement, and the notable influence of peer interactions on learning and recognition. The work motivating factors for Generation Z employees are work environment, policy, leadership quality, co-worker relations, salary, compensation, and benefits, as well as advancement, personal and career growth, and responsibility. The proposed programs cited by the Generation Z participants are related to work schedule options, recognition and rewards, and training and development. These responses from the participants indicate the Generation Z's love for their family, engagement in the company they belong to, and enthusiasm to grow professionally.

RECOMMENDATIONS

Based on the findings of my study, I assert that the following programs to be implemented by the human resource managers and leaders who are presently, and increasingly in the future, faced with the challenge of motivating the Generation Z workforce.

- **Work Schedule Options** - This involves introducing flexible work arrangements and considering compressed workweeks to accommodate individual preferences. Emphasizing the importance of clear boundaries between work and personal life, including unplugged time during non-working hours and vacations, will contribute to a healthier work-life balance.
- **Recognition and Rewards** - To optimally motivate Generation Z employees in the BPO industry through rewards and recognition, organizations must implement a strategic approach. This involves providing regular and personalized kudos through digital and social platforms, incorporating gamification elements for engagement, and offering flexible reward options, the Generation Z being digital natives in nature.
- **Training and Development Organizations** - Should implement leadership development programs that cover strategic thinking, decision-making, and problem-solving by offering workshops, seminars, or courses led by experienced facilitators or industry experts.

Moreover, the focus on general employee classification highlights the importance of examining potential variations in motivation across specific positions and other generational cohorts. A comparative study among different roles and cohorts would elucidate patterns in workplace motivation, contributing to a more comprehensive understanding.

Compliance with Ethical Standards

The author declares that they have adhered to the highest ethical standards in the conduct of this study. Informed consent was duly obtained from all respondents prior to their participation. Respondents were assured of their right to withdraw from the study at any time without any repercussions. The anonymity of the respondents was rigorously maintained to protect their privacy and confidentiality. Throughout the study, the well-being of the respondents was prioritized and safeguarded. The author affirms that no conflict of interest exists in the conduct of this study. Every effort was made to avoid plagiarism, and proper attribution was given to all sources used. The interpretation of the findings was conducted impartially, with no bias influencing the results. Finally, the findings of this study are intended solely for

research purposes. foundation for the research. Additionally, the author acknowledges the support and assistance received from colleagues, mentors, and friends throughout the research process.

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