

A Comprehensive Review of the Views and Influence of Generational Differences on Compensation and Benefits

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Abstract: *There are at least four generations represented in the modern labor force, each with their own perspectives on work values. The impact of Generation X, Millennials, and Generation Z on the workplace has been significant, posing challenges for organizations in developing a competitive compensation strategy that caters to each generation. The objective of this research review is to examine generational characteristics, conduct a thorough analysis of cross-generational perspectives and preferences, explore influences on compensation and benefits trends, and address the challenges of managing different generations, along with potential solutions. The underlying assumption is that there are shared similarities or differences in these determinants across generations. We conducted a comprehensive review of recent literature on generational cohorts and compensation and benefits to summarize findings from the past five years. This review will also serve as a foundation for future longitudinal research, aiming to uncover the latest insights into trends among organizational cohorts and other related factors, particularly in the realm of compensation and benefits, and how they intersect with other organizational contexts, potentially influenced by socioeconomic events. Researchers suggest that qualitative research or mixed methods, with their more robust methodologies and theoretical study objectives, are the most appropriate approaches to explore generation as an influencing variable in research.*

Keywords: Compensation and Benefits, Challenges, Generation X, Generation Z, Millennials, Perceptions, Pattern

1. Introduction

It has historically been the case that there are different generations working together in the organization. In modern workplaces, employees are increasingly diverse in terms of their ages, backgrounds, and level of experiences. The presence of different preferences and perceptions can be beneficial; however, it can also lead to challenges, especially when there is a significant gap in age. In the current workplace, four generations coexist: Baby Boomers, Generation X, Generation Y (often referred to as Millennials), and Generation Z, who recently begun their careers (Tanveer et al., 2020). There has been extensive research conducted in recent decades on generational differences in work values, and this research will likely to be continued in the future. Nowadays, it is almost impossible to avoid working with multigenerational employees and managers must understand how different generations perceive the value of their compensation and benefits. Regardless of the generation, employees view compensation and benefits as a crucial factor in their commitment to an organization (Frye et al., 2020). Organizations should be considered of generational cohort when developing Human Resources (HR) reward strategies in order to promote shared compensation values between older and younger employees, especially in age diverse workplaces (Kollmann et al., 2020). This study sheds light on how generational imprints influence the collective memory of a profession. In addition to highlighting the dynamic nature of generational perceptions, the study emphasizes the importance of taking the organizational context into account when studying generational differences in compensation and benefits (Arras-Djabi et al., 2023).

Nonetheless, research frequently emerges that seeks to highlight the characteristics differences of employees from different generations and provide guidance on how employers can effectively address the desires and demands of each generation (Macovei & Martinescu-Bădălan, 2022). However, do every succeeding generation truly exhibit significant differences compared to its preceding generations? The current review study is directed by a comprehensive research question: Do generational differences exist that influence how they perceive and value compensation and benefits in relation to their efforts in organizations? Will there be more actual generational differences and challenges in workplace values in terms of compensation and benefits? A growing number of studies have been conducted on the perspectives of different generations regarding the value of work (Fulmer & Li, 2021; Maloa & Fobian, 2020; Ng & Salamzadeh, 2020; Tanveer et al., 2020). As part of this review, we acknowledge and consider the need to take generational differences into consideration when determining compensation and benefits. Through the exploration of the views and differences of Generation X, Millennials, and Generation Z in this area of the study, this study fills a gap in the literature.

In addition to contributing to the existing body of literature, this study makes several distinct contributions. In our effort to explore the latest research, we aim to investigate the actual differences in compensation and benefit concepts among different generations. It also examines and explains the theoretical concepts of compensation and benefits. The study presents comprehensive and current research concerning generational differences (covering the period from 2019 to 2023), with a focus on empirical evidence

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related to compensation and benefits. This includes an examination of characteristics and behaviors, generational perceptions and perspectives, as well as factors influencing compensation and benefit development and the challenges inherent to these differences in the workplace. By examining compensation and benefits in conjunction with generational differences, this study offers a novel approach to defining employees and assessing practical implications in the workplace. Additionally, this study concludes by proposing several suggestions for future research directions and addressing significant questions in the current understanding. It is anticipated that this study will assist academics and managers in gaining a better understanding of the compensation disparities among employees. This review study will address the following areas:

- The characteristics of each generation in work-related,
- Theoretical concepts of compensation and benefits,
- Identify pattern changed in compensation and benefits throughout the generations,
- Generation's perceptions and preferences on compensation and benefits,
- Challenges in managing generational differences.

2. Methodology and Database Criteria

The present review is based on an extensive literature analysis of previously published research. This study included articles and documents published in several online databases and search engines, such as Scopus, Web of Science, Elsevier, Google Scholar, and individual journal webpages. The review focused on documents that met the following criteria: (1) published between 2019 and the present; (2) written in English; and (3) exploring generational perspectives (Generation X, Millennials, and Generation Z) on various dimensions of compensation and benefits. However, it is important to acknowledge the limitations of this review study. The researchers utilized specific keywords such as "generational cohorts," "generational perspectives," "compensation and benefits," and "total rewards" during the search process. It is important to note that the researchers only selected a limited number of literatures on the exploration of generational perspectives on compensation and benefits components for review analysis. Additionally, this literature review was conducted from a global perspective. Therefore, the aim of this study is to provide a comprehensive overview of the various aspects of compensation and benefits components.

3. Generation Characteristics in Work-Related

A thorough examination of generational cohort theory is necessary prior to delving into the significant events that have shaped each generation and the corresponding ideals that have emerged. Alferjany et al. (2021) present an article titled "Generational Differences in Values and Attitudes within the Workplace" which offers a comprehensive exploration of the impact of generational differences on workplace dynamics. The article adeptly discusses the cohort theory and its relevance in comprehending generational values and attitudes. Cohort theory asserts that individuals who are born during the same years or time periods are influenced by comparable historical events,

societal changes, and economic shifts, subsequently forming distinct generational cohorts with shared experiences and perspectives (Brachle & McElravy, 2023).

3.1 Gen X / Generation X (1960-1980)

The individuals belonging to Generation X, born between 1960 and 1980, are widely known for their self-reliance. Working independently and autonomously is very important to them, and most often they prefer informal working environment (Jane Cacanindin, 2023). Even though they may not be as idealistic as the generation after them, they do value creative thinking and a positive attitude towards their works. They welcome diversity and adaptability to changing in work duties. For this generation, advancing in their careers is of utmost importance (Ghadi et al., 2023). Generation X tends to prioritize integrity, openness, and opportunities for professional growth. In comparison to younger generations, they have distinct communication preferences. It is possible that they do not favor the use of email-generate for professional communication, preferring a more traditional approach to workplace flexibility as opposed to a technology-based environment. Additionally, Generation X employees are less impressed by authority and micromanagement, prioritizing work-life balance, and flexibility in the workplace (Mahmoud et al., 2021). In contrast, according to Alhmoud & Rjoub (2020), this generation is more likely to be loyal to their employers as well as maintain a healthy skepticism towards organization's management.

3.2 Millennials / Generation Y (1981-2000)

The cohort succeeding Generation X and preceding Generation Z is commonly referred to as Generation Y, or Millennials. This group is generally defined as those who were born between the early 1980s and the late 1990s or early 2000s. Key characteristics of this generation include proficiency in technology, having grown up in a digital era, and viewing technology as an integral part of their everyday work practices. Additionally, Millennials exhibit a strong awareness of societal and environmental issues and strive for a healthy work-life balance (Frye et al., 2020). According to Irawan & Komara (2020), Millennials readily embrace new innovations and excel at communication and task completion. When compared to preceding generations, Millennials display a heightened sensitivity towards social and environmental matters and are more inclined to support organizations that align with their values. Millennials also place great importance on diversity and inclusion, seeking inclusive and welcoming work environments that value individuals from all backgrounds. Furthermore, Millennials thrive when given challenging work opportunities that allow for the expression of their creativity. They also value responsibility, timely feedback, and frequent recognition of their achievements (Onukwuba Henry Okwudili, 2020). They adapt well to adjustment and prioritize organizational engagement and support. Traits commonly associated with Millennials include collaboration, adaptability, transparency, open-mindedness, and balance. They demonstrate a high degree of self-criticism, take pride in their actions, and possess idealistic tendencies (Gabriellova & Buchko, 2021). Moreover, it is widely believed that they thrive in an

encouraging environment with clearly defined rules and explicit incentives (Mahmoud et al., 2021). When employment expectations are not met, Millennials are less likely to remain loyal to their profession or organization, and willing to change jobs or turnover without hesitation (Ramli & Soelton, 2019).

3.3 Zoomers / Generation Z (2000-2012)

Generation Z, which includes individuals born from 2000 to 2012, and currently in the early stages of entering the workforce (Evseeva et al., 2020). This generation is characterized by a preference for organizations that prioritize long-term objectives and goals, as well as a strong emphasis on selflessness and a drive to make a meaningful contribution to society. Generation Z individuals require inclusive work environments that offer opportunities for career advancement and a significant level of work autonomy. They are often perceived as autonomous and goal oriented (Prund, 2021). They highly value transparency, a more inclusive decision-making process, and the importance of their perspectives. When it comes to their jobs, they are

not afraid to challenge established norms (Magano et al., 2020). They are vocal about their desire to have their opinions heard and are open to new ideas and perspectives (Egerová et al., 2021). However, the lack of purpose-driven roles, support, and engagement may lead to increased intentions to leave. Additionally, this generation is adept at navigating and utilizing various digital resources. What sets them apart from previous generations is their proficiency in using contemporary technology, often referred to as "digital natives" (Kennedy et al., 2023). Mahmoud et al. (2021) state that while Generation Z is more comfortable communicating through technology platforms, they still have a strong desire for social connections. Financial stability is important to Generation Z employees, and they understand the significance of performing well in the workplace. However, they also value work-life balance and yet are not willing to sacrifice their personal lives for work (Appelbaum et al., 2022). Ghadi et al. (2023) also affirm that these attributes shape Generation Z's work ideals, expectations, and behaviors. Therefore, organizations should understand and adapt to them.

Table 1: Summary of generation characteristics by measure grouping.

Generation Measure	Generation X / Gen X (1960-1980)	Generation Y / Millennials (1980-2000)	Generation Z / Zoomers (2000-2012)
Nature of Job	Independent/ self-reliant	Team-oriented	Independent / self-directed
Technology Application	Traditionalist and technology adaptability	Tech-savvy	Digital natives
Engagement	Autonomy	Collaborative	High-level of autonomy
Diversity	Minimal diversity and changing adaptability	Adapt well in changes and diversity	Altruism / selflessness
Career Development	Prioritize professional growth	Thrive in job challenges and responsibilities	Challenge conventions and seek career progression
Work-life Preference	Value work-life balance	Value work-life balance	Prioritize work-life balance, but more value personal life
Work Environment	Positive work environment	Meaningful work environment	Inclusive work environment
Work Attitude	Authenticity, transparency	Take pride of actions, idealistic, openness and personal observation	Transparency, ideas valued, and inclusive in decision-making
Loyalty	Loyal but sceptical to organization	Less attached and committed to organization	Require more support and engagement from organization

4. The Theoretical Concept of Compensation and Benefits

Compensation and benefits within the discipline of human resource management are interconnected yet separate elements. Compensation encompasses various types of remuneration or incentives given to employees as recognition or contribution of their employment. It includes both direct and indirect financial compensation, as well as indirect benefits. Direct financial compensation includes regular and periodic remuneration such as allowances, salaries, bonuses, and commissions. On the other hand, indirect financial compensation includes incentives such as healthcare coverage, pension schemes, and other monetary incentives that are not part of direct compensation (Mutiso et al., 2022). Indirect benefits or rewards, on the other hand, refer to supplementary incentives or acknowledgments that employees receive for their contributions, accomplishments, and tenure, such as promotions, awards, appreciation, recognition, training or specific privileges in the workplace (Setiawan et al., 2021). Various components of compensation go beyond salary and include organizational

benefits, incentives, recognition, and schemes to promote work-life balance and career development. The goal of the entire rewards system is to provide a comprehensive package that caters to the diverse wants and preferences of employees (Putu et al., 2022).

Compensation and benefits have a complex and interdependent relationship with each other. From one perspective, compensation can be seen as a form of reward or benefit for the efforts and contributions that employees have made to the organization. Providing adequate compensation can help reduce dissatisfaction among workers and ensure that their basic demands are met, both of which can contribute to employee motivation and performance (Kim & Jang, 2020). On the other hand, benefits can be invaluable in addition to compensation because they offer additional incentives for employees to cooperate to the best of their abilities and achieve their objectives. Rewards can also boost morale and loyalty to the organization by demonstrating to employees how much their work is valued and recognized (Hassan, 2022). Compensation serves as both an operational function and a

strategic approach for organizations. The Human Resources strategy should be congruent with the overarching corporate strategy, bolster the organization's competitive position in the labor market, and foster desired employee behaviors and performance (Mansaray-Pearce et al., 2019). A well-managed compensation and benefits package will make the organization competitive in the industry, align with the organization's principles and objectives, and accommodate the varied demands of employees (González et al., 2021). Furthermore, ongoing evaluation to ensure the package remains relevant and successful in supporting the organization's human capital strategy is also necessary, as is compliance with legal and regulatory obligations (Vizano et al., 2021).

From a theoretical perspective, compensation plays a crucial role in motivating and retaining employees. The Expectancy Theory, proposed by Vroom in 1964, states that there is a connection between total rewards and employees' behavior. Employees' perceptions of the connection between their efforts, performance, and rewards are said to impact their motivation. In this context, compensation serves as a key reward that can influence employees' commitment,

motivation, and contribution (Mutiso et al., 2022). Studies have indicated that employees who receive significant compensation, including both monetary and non-monetary incentives, generally express higher levels of job satisfaction. Compensation is seen as a tangible and measurable measure of an employee's value to the organization, and it can contribute to establishing a sense of fairness and equity in the workplace (Zafirah et al., 2022).

In summary, there are many aspects to the concept of compensation and benefits beyond monetary payments, including psychological, social, and strategic aspects. When designing a compensation strategy, it is important to keep employees' interests, competitiveness, motivation, and the overall value proposition for employees in mind. The goal is to create a work environment that is rewarding and fulfilling for employees while also meeting the organization's ultimate objectives (Kristal et al., 2020). In order to comprehend compensation theoretically, one must look at concepts such as equality, expectancy, reinforcement, and the total compensation framework. These ideas are vital in shaping employees' perceptions, motivations, and behaviors in the workplace.

Table 2: Definition of compensation and benefits terms used in review

Terms	Descriptions
Compensation and Benefits	Compensation refers to the total rewards received by an employee in exchange for their work and services provided to an organization (Putu et al., 2022).
<i>Financial Compensation</i>	All types of remuneration, including monetary benefits, that an employee receives in return for their work provided to the organization (Irawan & Komara, 2020).
Example	Salary, bonuses, commissions, health and medical insurance, retirement plans, paid off and other monetary benefits (Mutiso et al., 2022).
<i>Non-financial Benefits</i>	Any supplementary benefits value beyond the fundamental basic and variable salary is considered a benefit (Kristal et al., 2020).
Example	Work environment, training and professional development, work-life balance arrangement, transportation, mobile, housing, and membership (Isabelle, 2020)

5. Has The Compensation and Benefits Pattern Changed Throughout Generations?

Compensation and benefits have undergone significant development over the years, according to Brink & Zondag (2021). Each generation has different priorities and preferences when it comes to compensation and benefits. While some generations may prioritize traditional forms such as salary and bonuses, others place a higher value on non-traditional benefits like flexible work schedules, a conducive work environment, and opportunities for career advancement. Aggarwal et al. (2022) emphasizes the need for restructuring both employee expectations and the rules and practices of Human Resources (HR) to support task performance and organizational commitment, as the workforce is constantly evolving. The evolution of compensation and benefits patterns reflects the changing requirements and expectations of today's workforce. It is crucial for businesses to understand these differences in order to develop effective compensation programs that meet the needs of their employees and motivate them to perform at their best (Pitaloka et al., 2023). Establishing a coordinated and unified compensation process has become increasingly complex. A study by Singh et al. (2020) provides valuable comprehension into the research clusters and thematic evolution of generational diversity, as well as the significant shifts across different generational cohorts.

Gabriellova & Buchko (2021) examined the impact of changing professional trends on younger generations, such as Millennials and Generation Z, who are more technologically proficient and adaptable to new technologies. This proficiency may influence their approach to work and problem-solving processes, potentially leading to changes in compensation based on their digital skills demands. The desire for ongoing education and development also shapes their perspectives on their profession. These generational attitudes and behaviors in the workplace have been influenced by socioeconomic changes and technological advancements, impacting preferences for compensation and benefits (Egerová et al., 2021). Safrankova et al. (2020) contributes to the current literature by highlighting how technological shifts and workforce management challenges have shaped the evolving preferences and expectations of employee compensation across different generations. Similarly, Alferjany et al. (2021) observed that younger generations value benefits that cater to their digital fluency, such as technological allowances and opportunities for skill development, while older generations prioritize professional growth and holistic well-being support. Such changes significantly impact cognitive abilities and behavior in the workplace and other domains (Frye et al., 2020).

Additionally, factors such as expected compensation and an organization's commitment to sustainable development goals influence the work preferences of younger generations, suggesting that sustainability plays a role in their career choices in the current uncertain economy. Compared to older generations, younger employees are more motivated to explore job opportunities if they perceive a high value placed on job stability and competitive compensation. This demonstrates that younger generations may be willing to compromise between sustainability and compensation based on their values and level of understanding (Yamane & Kaneko, 2021). For example, when Generation Z began to enter the workforce during a period of economic uncertainty, many were concerned about earning capacity and employment stability, which influenced their preferences for compensation (Rafiki & Hartijasti, 2022).

As multiple generations work together, the labor market becomes more diverse, prompting organizations to consider the varying perspectives on compensation and benefits. This understanding of different generations' expectations and preferences has a significant impact on compensation across age groups. Demographic trends and extensive research in this area highlight the importance of organizations addressing the challenges presented by a younger workforce. The convergence of multiple generation cohorts at the workplace, replacing older employees, necessitates considering unique employment perspectives, principles, and motivating preferences of each generation (Babel'ová et al., 2020). Prund (2021) suggests that competitive labor markets influence compensation and benefit packages. To stand out in such markets, organizations must offer creative and attractive benefits for a multigenerational workforce. Changes in compensation and benefits choices among different generations reflect the evolving dynamics of the labor market and the growing demands and expectations of employees across age groups (Costanza et al., 2021). Understanding these labor market dynamics and trends is crucial for organizations to effectively recruit and retain employees based on their current compensation strategies. The preferences and expectations of employees regarding compensation and benefits are complex and continuously evolving. Therefore, organizations must remain agile and adaptable, accommodating these changes and adjusting their offerings to meet the ever-changing needs of different generations.

6. What Are Perceptions and Preferences Towards Compensation and Benefits Across Generations?

Another prominent theme in generational literature that appears in popular publications is the notion that different generations should have distinct expectations regarding compensation, benefits, and work-related values. Providing a range of options or unique benefits can personalize the experience and enhance employees' feelings of appreciation.

A study conducted by Brink & Zondag (2021) examined attribute preferences among three generational cohorts and found that compensation and benefits, career advancement, and flexible work practices are growing in importance across all three cohorts. This suggests that the value each

generation places on specific attributes in the workplace is changing. This research contributes to the existing knowledge on generational differences in perspectives on compensation and benefits by shedding light on how employees of different ages perceive compensation practices that establish standards for performance, required skills, experiences, and behavior for their performance and retention in organizations (Aina & Atan, 2020). Various generations attribute varying levels of importance and perceptions to compensation and benefits (Chen et al., 2023).

Furthermore, all of these studies offer compelling evidence of shifts in work values and compensation associated with labor and motivation (Ann & Blum, 2020; Jambulingam et al., 2021; Mahmoud et al., 2021). The study highlights that when comparing Generation X and Millennials in terms of compensation values, according to Herzberg's theory of motivation, the older generation is more likely to prioritize career advancement opportunities, including bonuses, promotions, and competitive salaries as an essential factor in their preferences and motivation. Conversely, Millennials, who are significant to the discussion, may have different views on the importance of work-life balance, positive organizational conditions, recognition, and opportunities for professional and training development in their compensation and benefits, which contribute to their career growth and well-being, according to Ramli & Soelton (2019). Ng & Salamzadeh (2020) state that financial incentives are least important to Millennials, but they still value fair pay. Instead, this generation prefers their employers to provide additional benefits and utilize resources in ways they deem most beneficial to themselves. Research conducted by Maloa & Fobian (2020) reveals that Millennials place a premium on intrinsic incentive value, whereas Generation X is more concerned with leisure and extrinsic incentive value. Jane Cacanindin (2023) study further demonstrates that extrinsic incentive value significantly influences both Millennials and Generation X.

Aside from that, Generation Z has grown up with technology. According to Prund (2021), Generation Z values competitive compensation and benefits packages that address their immediate demands, such as a flexible work schedule, opportunities to learn new skills, use cutting-edge technology, and a stimulating work environment, in exchange for generous pay. They also place a high value on benefits that promote their uniqueness and creativity. Access to the internet and globalization have shaped the values of Millennials and Generation Z, who share similar multi-dimensional approaches to work (Dorina Racolța-Paina & Dan Irini, 2021). Importantly, the younger generation shares common work values with previous generations, including a preference for long-term development and career advancement within organizations, equality, and recognition. On the other hand, Generation X values social interaction and rewards, making them adaptable to working in a technology-based environment (Ghadi et al., 2023). A study conducted by Safrankova et al. (2020) has identified the factors that contribute to generational differences in gender surveys. The study provides valuable insights into the perceptions and priorities of compensation and benefits among different age groups within the context of the Fourth

Industrial Revolution (4IR). The study's findings regarding the correlation between benefits offers and shifts in employment incentives among different generations enhance our understanding of how compensation impacts employee decision-making in the context of technological advancements in business.

In an unexpected turn of events, the COVID-19 pandemic outbreak has served as a wake-up call for these generations. Job security and financial compensation have gained new significance for younger generations, despite the importance of technology to them in order to stay with an organization (Chen et al., 2023). The findings of Egerová et al. (2021) align with other research that demonstrates the importance of financial compensation, monetary benefits, and job stability to both Millennials and Generation Z. Additionally, the researcher notes that this young generation has more similarities than differences when it comes to their preferences. Factors such as competitive compensation, opportunities for career advancement, and financial stability matter to many individuals across generations (Md Mahamudul et al., 2020). By gaining insights into these perspectives, organizations will be better equipped to design compensation and benefits packages that appeal to employees of all ages. Fulmer & Li (2021) argue that organizations should cater to the varying requirements and preferences of their employees regarding compensation and benefits by providing a more inclusive and diverse range of options across generations.

7. Challenges in Managing Generational Differences on Compensation and Benefits

Organizations are currently facing the challenge of managing a multi-generational workforce as employees are working longer and new generations enter the labor market. However, organizations must be mindful of the legal restrictions around providing different benefits to employees in order to prevent discrimination. This can make it difficult for organizations to effectively address generational gaps in compensation and benefits. Differences in objectives and expectations regarding compensation and benefits can lead to conflicts and misunderstandings among employees from different generations (Appelbaum et al., 2022). Such conflicts are often driven by stereotypes and age-related biases, which further exacerbate disparities in compensation perceptions and expectations (Tanveer et al., 2020). Nonetheless, organizations can adopt a strategic approach by considering the demographics and generational composition of their workforce to tailor their benefits offerings. Providing conflict resolution training to both managers and employees can help organizations proactively address potential issues arising from varying views on compensation and benefits across different generations (Alferjany et al., 2021).

The expectations surrounding compensation can vary across different generations. For example, Generation X may expect compensation that reflects their loyalty and long-term commitment to the organization, whereas millennials and Generation Z may prioritize compensation based on their skills, competency, and performance (Prund, 2021). Managing the job preferences and demands of employees from different generations can be comparatively

challenging, as each generation may have unique goals regarding work-life balance, social contact, and compensation preferences, as evidenced by Egerová et al. (2021). Gabrielova & Buchko (2021) have noted that ensuring proportional compensation and benefits for all generations poses difficulties, as individuals of different age groups may have diverse understandings of what constitutes fairness. Developing a one-size-fits-all compensation and benefits plan that caters to the expectations of various generations is indeed demanding. Therefore, organizations may consider offering flexible compensation options to accommodate different interests, as suggested by (Jereb et al., 2019). Regular adjustments and evaluation of compensation are essential to keep employees from different generations engaged, as failure to include each generation's preferences in one strategy may result in disengagement, substantially among younger employees who will eventually lead the labor force (Mahmoud et al., 2021). Furthermore, Pitaloka et al. (2023) discovered that discrepancies in compensation and benefits between generations can impact employee retention, leading to potential financial costs for organizations. Striking a balance between these expectations and an organization's financial resources can prove to be a challenging task.

In a separate study conducted by Evseeva et al. (2020), it was discovered that employees from different generations possess varying levels of technological comfort and knowledge within the workplace. This disparity can be observed among Generation X, Millennials, and Generation Z. It may impact their utilization of technology for learning purposes, potentially leading to communication breakdowns and misleading information. A study conducted by Aina & Atan (2020) emphasizes the importance for organizations to address this challenge by offering diverse training and talent development programs as part of their benefits options, tailored to appeal to different generations, which can ultimately influence both technology adoption and organizational performance. The findings of Pitaloka et al. (2023) assert the necessity of understanding how different generations interpret and value performance-based rewards when designing compensation programs. An important aspect to consider is the accessibility of professional growth opportunities for individuals from different generations.

Many businesses have experienced the difficulty of bridging the generation gap within the workplace, irrespective of the extent of these differences. Arras-Djabi et al. (2023) describe the complexities involved in managing employees from diverse generations, including navigating their distinct communication and work methods while also challenging any biases or preconceptions. Despite the complexity of these challenges, awareness of their existence is key to finding long-term solutions.

8. Direction of Future Research

It is essential that researchers undertake longitudinal studies in order to obtain a comprehensive understanding of the values and concerns associated with generational cohorts and tenure. A study of patterns of change and reciprocal relationships related to compensation and benefits would be necessary for this purpose (Evseeva et al., 2020). Yamane &

Kaneko (2021) emphasize longitudinal research as a means to study long-term behavioural changes and track generational effects over time. The approach enables researchers to determine whether observed differences between generations reflect developmental processes or generational effects on work values and employment (Kollmann et al., 2020). A key aspect of future study would be to monitor the evolution of employees' perspectives on compensation as they progress through their careers (Pitaloka et al., 2023). In addition to providing insight into a specific moment in period, cross-sectional study methods are incapable of providing insights into trends over time. Therefore, Maloa & Fobian (2020) advocate for a cross-temporal survey approach in order to consider generational differences. The researchers confirmed the need to employ comprehensive methods and larger samples in order to draw broad conclusions from limited data.

Furthermore, Ghadi et al. (2023) proposed examining the impact of socioeconomic and geographical backgrounds on work values in intergenerational organizations by using a larger sample size. It has been argued that the scope of the focal theme and background should be widened to include additional variables, including alternative geographical settings, the economic development of a country, the adoption rate of technology by organizations, and in-depth motivational factors for compensation strategy outcomes. There is a need for further research to examine the impact of these variations on the job market (Prund, 2021). Particular attention should be paid to the moderating effect of generation (Mahmoud et al., 2021). This potential variance should be analyzed in more depth as there has been a lack of research pertaining to the precise mechanisms by which organizational compensation practice to benefit inequality (Kristal et al., 2020). The outcomes can confirm or contradict commonly held perceptions regarding generational shifts, demonstrating the value of empirical evidence in this area (Alhmoud & Rjoub, 2020).

Given that the majority of studies employ quantitative methods, future research could benefit from incorporating mixed methods, which combine quantitative and qualitative methods to obtain more reliable data and gain broader understanding of how different generations value rewards (Egerová et al., 2021; Ghadi et al., 2023). Surveys and statistical analysis are good examples of quantitative methods that can help identify patterns in larger samples, according to Evseeva et al. (2020). However, Alferjany et al. (2021) assert that qualitative research should be prioritized in order to advance the cohort theory and determine whether historical events are truly experienced and interpreted by members of the same cohorts. Considering whether historical events of theoretical significance have an impact on the generation they affected is warranted. By exploring events that have varying effects on individuals of different ages and times, the alleged similarity generation mechanism can be further analyzed to compensate (Costanza et al., 2021). Brink & Zondag (2021) propose theory-based comparison studies and robust research methods, including time-lag designs, for capturing data from distinct generational cohorts at different stages of their lives. It is hoped that this approach would illuminate generational job attribute preferences and their impact on organizations. A

comparative study of generations' fundamental values of work, as suggested by Singh et al. (2020), can provide practitioners with valuable insights for improving job conditions and structures, motivating techniques, compensation packages, and other HR policies procedures. It will be able to provide empirical evidence and gain a deeper understanding of the complex dynamics within organizations.

9. Conclusion

An extensive body of research suggests that organizations can better serve their diverse workforces by considering different generations' unique characteristics. It has become more sophisticated to conduct research on generational cohorts in order to gain a better understanding of how employees develop within an organization. Thus far, it has been observed that generational differences exist in several key aspects of the workplace, including traits and personalities, attitudes, work values, perceptions, and expectations concerning compensation and benefits. Numerous studies have demonstrated evidence of the various factors that influence employees' compensation and benefits, and how these factors differ among generations. Recruiting and retaining a multigenerational workforce requires an understanding of generational traits, economic circumstances, work conditions, technological advancement, and opportunities for professional growth. Thus, each individual's generational values and experiences shape their perspective on compensation and benefits. Understanding the composition and diversity of generations within the workforce can provide valuable insights. This study's findings indicate that the next generation's perceptions and expectations on compensation for the future workforce are more similar. Further consideration is that preferences may vary more within homogeneous groups over different generations. It is also evident that there has been an increase in the importance of competitive compensation and benefits across generational cohorts, pointing to a focus on both immediate and long-term compensation plans. It is therefore important for organizations to consider adjusting their compensation and benefits schemes to align with the evolving preferences of different generational cohorts in the workforce. Yet, the research provides theoretical insights that are beneficial to organizations as they navigate the evolving compensation landscape and address the needs of diverse workforce across generations. Hence, in order to gather the most current information about generational cohorts and related factors, particularly concerning compensation and benefits, as well as their impact on the organizational context, which is influenced by broader socio-economic trends, longitudinal research is required to study the direction.

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