

**ปัจจัยค่าตอบแทนที่มีผลต่อประสิทธิภาพในการปฏิบัติงานของเจนเนอเรชันวาย กรณีศึกษา
ภาคเหนือตอนล่าง ประเทศไทย**

**FACTORS OF COMPENSATION AFFECTING WORK PERFORMANCE OF
GENERATION Y : A CASE OF LOWER NORTHERN REGION PART OF THAILAND**

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Received: 21/01/2023

Revised: 23/04/2024

Accepted: 26/04/2024

บทคัดย่อ

งานวิจัยนี้มีวัตถุประสงค์เพื่อศึกษาปัจจัยด้านค่าตอบแทนที่ส่งผลต่อผลการปฏิบัติงานของเจนเนอเรชันวายในเขตภาคเหนือตอนล่างของประเทศไทย โดยเป็นการศึกษาเชิงปริมาณแบบภาคตัดขวางโดยสุ่มกลุ่มตัวอย่างจำนวน 400 คน วิเคราะห์ข้อมูลโดยใช้ค่าเฉลี่ย ส่วนเบี่ยงเบนมาตรฐานในการวิเคราะห์ข้อมูลระดับของค่าตอบแทนเชิงธุรกรรม ค่าตอบแทนที่ไม่ใช่ตัวเงินทางตรง (สวัสดิการ) และค่าตอบแทนเชิงความสัมพันธ์ และใช้สถิติอ้างอิง ได้แก่ การวิเคราะห์ความแปรปรวน การวิเคราะห์ค่าสหสัมพันธ์ และการวิเคราะห์ถดถอย ผลการวิจัยพบว่าปัจจัยด้านเงินเดือน ค่าตอบแทนจูงใจ โบนัส วันหยุด งานที่ทำท่าย ความก้าวหน้าในอาชีพ การให้การยอมรับนับถือ หัวหน้างาน สภาพแวดล้อมการทำงาน และเพื่อนร่วมงานร่วมกันทำนายผลการปฏิบัติงานของเจนเนอเรชันวาย

ประโยชน์ในงานวิจัยนี้สามารถนำไปสู่การจัดการค่าตอบแทนเพื่อให้สอดคล้องกับเจนเนอเรชันขององค์กรได้ ทั้งนี้เพื่อในระยะยาวจะสามารถลดต้นทุนด้านค่าตอบแทน และสามารถตอบสนองการจัดการความหลากหลายในองค์กรโดยเฉพาะความแตกต่างหรือช่องว่างระหว่างวัยได้อย่างมีประสิทธิภาพ

คำสำคัญ : ค่าตอบแทน, เจนเนอเรชันวาย, ผลการปฏิบัติงาน

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Abstract

This study aims to study the compensation factors affecting work performance of Generation Y: A Case of Lower Northern Region Part of Thailand. The cross-sectional quantitative research design was implemented by collecting in a single time with 400 Generation Ys by using the mean, and standard deviation to analyze the level of transactional compensation, non-directed monetary compensation (benefits), and relational compensation. In addition, the inferential statistics analysis which is ANOVA, Correlation as well as regression analysis were applied. The research found that factors of salary, merit pay, bonus, vacation, challenging work, career advancement, recognition, supervisor, work environment and colleague could predict the work performance of Generation Y.

The benefits of managing compensation with Generation could increase the organization reputation in the long run, reduce the cost of compensation, moreover, it could lead to less severe and better response to diversity management especially the Generational gap and conflict.

Keywords: Compensation, Generation Y, Work Performance

1. Introduction

Due to a rapid growth of technology, social, political as well as economic turbulence, human resource development, and learning are required to adjust as fast as the world changes. Moreover, the change has affected personal's characteristics and values of people, especially for the generation Y in the workplace sooner or later which having the highest proportion rate in the labor market (35%) according to the American labor force participation, and this proportion is increasing continually (Pew Research Center Analysis, 2018).

According to Wuttaphan (2018), an organization is a set of people working together and bringing different expectations, principles, lifestyles, as well values toward working. Human resources are the most important asset to the organization, moreover, one of the human resource strategies used to motivate people to work is compensation (Hatati, 2020). Compared to Generation Silent, Baby Boomers, Generation X, Generation Y, and Generation Z, Generation Ys are having 35%, or more than a third of the labor workforce while Generation Xs are 33%, BBs are 25%, Generation Zs are 5%, and Generation Silents are 2% respectively.

According to Osman et al. (2017) who found that generation Ys' loyalty was positively influenced by performance management, job satisfaction, and compensation the most. Corresponds to Jahya et al. (2020) claimed that generation Ys' attitude is convinced by training and development, organizational culture and compensation factors while compensation are the most active factors among generation Ys to leave or stay in the company.

However, monetary still be an active factor that influenced employees to work. Compensation seems to urge talented employees to work effectively. Furthermore, not only monetary compensations such as salary, fixed and variable bonuses, are positively influenced employee work performance, but also non-monetary compensation such as benefits and incentives (vacation, lunch, healthcare, provident fund, etc.) as well as relational compensation or relational returns which are collaboration, job challenges, task variety, opportunity to growth, teamwork, leadership development and engagement (Soesanto et al., 2022; Jankingthong & Rukkhum, 2012; Pandey, 2019).

Thus, it is beneficial to investigate the factors that affect Generation Ys' work performance toward compensation factors in order to maximize the results as an evident-based guideline for developing a suitable policy to engage Generation Y as well as the upcoming generation in the future.

Objectives

1. To study the level of compensation and work performance of generation Y: a case of lower northern region part of Thailand
2. To study the significant level of demographic data and work performance of generation Y: a case of lower northern region part of Thailand
3. To study the relationship between the compensation factors and work performance of generation Y: a case of lower northern region part of Thailand
4. To study the compensation factors affecting work performance of generation Y: a case of lower northern region part of Thailand

2. Literature Reviews

Generational theory

The general theory of multi-generational differences of Kopperschmidt (2000) said that generation is “an identifiable group that shares birth years, age location, and significant life events at critical developmental stages” (Kopperschmidt, 2000: 66). However, Strauss and Howe (1991) mentioned that a generation is the group of people that shared time and period for 20 to 25 years at the time of similar economy, political, culture, technology, social norms, and crisis. Moreover, each generations conveyed their own characteristics such as attitude, motivation, personal’s value, life capital, human capital, working experiences as well as mental schemes toward the organization (Wuttaphan, 2018). There is a problematic to top management to manage diversity, successful organizations adopted the generational theory to handle diversity management.

Five well-known generations categorized 1) The silent generation who was born in pre-1945, who valued rule-based, logic, order, control, and command. 2) Baby Boomers generation who was born between 1945 to 1960, the characteristics of Gen Boomers are competitive, mental focus, high discipline, team-based, and value ethics (Papas, 2016). 3) Generation X who was born during year 1960 to 1981. Gen Xs’ characteristics are quested for more open communication, having an emotional stability, more informality, seek for work-life balance (Beutell & Wittig-Berman, 2008; Glass, 2007). 4) Generation Y, Generation Ys was born from the year 1981 to 1995 and has been called “Millennials” (Seemiller & Grace, 2016: 6). Generation Y are defined as “a transition of technological change and open for the new platform of

thought by internet prosperity that make the Ys are quickly respond to change, diversity based, technological savvy, informality, team oriented, optimistic, multitasking skills, tenacious, need and fast learning and concrete advancement, need feedback for improvement, open communication, goal achievement, creative, and high expectation” (Wuttaphan, 2018: 52). Finally 5) Generation Z who was born in 1995 to 2010. Gen Zs are high performers, open-minded, having an entrepreneurial skill, and freedom as well as reasonable (Seemiller & Grace, 2016).

Previous research by Queiri et al. (2015) has shown that the tendency for workers in the Y generation to frequently change jobs and prioritize work-life balance can lead to shorter working careers compared to those of the X and baby boomer generations. So, in the next 5 to 10 years, Generation Y and Z will come to the workplace and be a large number of employees in the organization to replace Generation Xs and Baby Boomers. The organizations are required to prepare for the complexity change of the generation carefully.

Compensation

According to Milkovich et al. (2011) said that compensation is an all form of both financial and non-financial payments including benefits and incentives for employees for an employment and relationship. The compensation and benefits aspect of an employment contract includes the base salary, bonuses, stock options, cash incentives, holidays, medical benefits, and other forms of monetary and non-monetary perks. So, compensation is the set of rewards to employee which categorized as 1) direct payments which are wages, salary, incentives, bonuses, and commission, or other kinds of monetary form, and 2) indirect payments such as insurance, vacation paid by the organization. However, Senasu (2017) divided the compensation into two mains components which are 1) transactional returns comprised of base pay, contingent pay or pay for performance, and benefits such as insurance, healthcare, vacation, provident fund, housing, lunch, etc, and 2) relational returns or non-monetary returns but paid for enhancing psychological or job satisfaction including challenging work, career advancement, recognition, supervisor, collaboration, work environment and colleague. According to Osman et al. (2017) the main goals of the management of compensation are to manage employees’ performance, ensuring the organizational justice, retaining talents, let employee get the job done effectively. The organization uses compensation as a human resource strategic to attract, motivate, and retain talents, as well

as to improve employee performance, including for the sake of recruitment and selection, justice and equity management, and cost-effective management.

Work performance

Work performance is one of the important factors that use as dependent variable. The concept of work performance by Sudiardhita et al. (2018: 2) said that “performance is one measure of actual behavior in the workplace that is multidimensional in nature, where performance indicators include: quality of work, the quantity of work, working time and cooperation with co-workers”. Employee performance is measured into several aspects, for instant, Borman and Motowidlo (1993) identified two aspects which are task performance that contribute to the organization effectiveness technical core, and contextual performance such as interpersonal facilitation and job dedication. Similar to Sedarmayanti (2001) concluded that quality of work, promptness, initiative, capability, and communication were used to measure performance. However, Sudiardhita et al. (2018) argued that work performance depends on work quality (quality generated, and the ability of employees), the quantity of work (work and completed activities), punctuality which included time optimization, and effectiveness (use of resources, maximize results), and other factors such as cooperation, constructive communication, as well as a harmonious working relationship.

The number of research confirmed that there is positive correlation among compensation, work performance, job satisfaction, work motivation, transformational leadership, organizational justice, and work engagement (Sudiardhita et al., 2018; Jankingthong & Rurkkhum, 2012; Roya, 2011; Nawab, 2011). If employees are perceived those arousal factors, employees tent to have a high level of personal investment as well as put more effort to job and task efficiently (Rich et al., 2010). In term of compensation, if employees are satisfied of given a total compensation, it is a beneficial to the organization in the long run (Sudiardhita et al., 2018; Milkovich et al., 2011)

3. Methodology

1. Data collection

The cross-sectional quantitative research design was implemented by collecting in a single time with Generation Y from May 2022 to October 2022. The structured questionnaires were sent based on a paper-pencil arrangement which took around 15 to 20 minutes and was

handed out after the completion. Moreover, no questionnaires were reported as ambiguous as well as the language used in the questionnaire was easily understood and simple by the participants.

2. Samples

The samples of this research included 400 Generation Y according to Yamane (1973) at 95 percent confidence across the lower northern part of regions of Thailand which are Phisanulok, Tak, Petchabun, Sukhothai, Uttaradit, Khamphangphat, Nakhonsawan, Phichit and Uthaitani by using a convenience random sampling technique. The score was analyzed as follows: score of 1.00–1.80 means lowest, 1.81-2.60 means low, 2.61-3.40 means average, 3.41-4.20 means high, and 4.20–5.00 means highest (Srisaard, 2002).

3. Measures

All scales were measured by using a five-point Likert Scale. Thus the content validity was implemented by three experts in order to seek the Index of Item-Objective Congruence, which was 0.70. Moreover, the tried-out for the Internal Consistency Reliability test of 30 non-sample was 0.926 throughout the questionnaire.

The demographic data consisted of gender, status, educational level, work experience, position, and salary with the nominal and ordinal scales.

The dependent variables are transactional compensation, non-directed monetary compensation (benefits), and relational compensation adopted from Senasu (2017), and Millkovich et al. (2011)

- The transactional compensation consisted of salary, merit Pay and Bonus.

- The non-directed monetary compensation (benefits) consisted of healthcare, provident fund and vacation.

- The relational compensation consisted of challenging work, career advancement, recognition, supervisor, collaboration, work environment and colleague

The dependents variable of this study is work performance which measured by quality, quantity, and timeliness adopt from Aguinis (2019).

4. Data Analysis

The data of this study were analyzed by using descriptive statistics which are frequency for demographic data of gender, status, educational level, work experience, position, and salary. Moreover, the mean, and standard deviation were used to analyze the level of

transactional compensation, non-directed monetary compensation (benefits), and relational compensation’s satisfaction. In addition, the inferential statistics analysis which is ANOVA, Correlation as well as regression analysis were applied by using a Statistical Software Package.

4. Results

1. The study of overall demographic data of gender, status, educational level, work experience, position, and salary of this study are revealed in table 1 as follows;

Table 1 found that most of the sample was male (n = 187, 46.75%), female (n = 175, 43.75%) and LGBTQI+ (n = 38, 9.40%). The sample help the single the most (n = 196, 49%) then married (n = 149, 37.25%). Most of them are having bachelor’s degrees (n = 345, with having 6 -10 years of working experience (n = 179, 44.75%). Most of them are at the middle management level (n = 215, 53.75%), and gained 20,000 – 40,000 Bath the most.

Table 1 the demographic data

Demographic data	Frequency	Percentage
Gender		
- Male	187	46.75
- Female	175	43.75
- LGBTQI+	38	9.40
Status		
- Single	196	49.00
- Married	149	37.25
- Others	55	13.75
Education Level		
- High School	10	2.5
- Bachelor Degree	345	86.25
- Master Degree	41	10.25
- Doctoral Degree	4	1.00
Work Experience		
- Less than a year	66	16.50
- 1 – 5 years	179	44.75
- 6 -10 years	94	23.50
- 11 – 15 years	33	8.25
- More than 15 years	28	7.00
Position		
- Officer	65	16.25
- Middle Management	215	53.75

- Executive	39	9.75
- Others	81	20.25

Table 1 the demographic data

Demographic data	Frequency	Percentage
Salary (Bath)		
- Less than 20,000	50	12.50
- 20,001-40,000	181	45.25
- 40,001-60,000	89	22.25
- 60,001- 80,000	54	13.50
- More than 80,000	26	6.40

2. The analysis of the mean and standard deviation in order to find the level of transactional compensation, non-directed monetary compensation (benefits), relational compensation, and work performances' satisfactions of Generation Y in the Lower Northern Region Part of Thailand are revealed as table 2

According to table 2 found that most of the sample had a high level of transactional compensation, non-directed monetary compensation (benefits), and relational compensation where benefit had the highest (Mean = 3.97, S.D. = 0.95), then the relational compensation (Mean = 3.94, S.D. = 1.32), and the transactional monetary compensation (Mean = 3.88, S.D. = 0.97) respectively. Besides, the work performance in overall also at the high level where quality are the highest (Mean = 4.01, S.D. = 0.86), followed by timeliness (Mean = 3.97, S.D. = 0.92), and quantity (Means = 3.84, S.D. = 0.90) respectively.

3. The analysis of the ANOVA testing of the demographic data and work performance of Generation Y in the Lower Northern Region Part of Thailand are revealed in table 3.

The result revealed that there are all demographic factors of gender, status, educational level, work experience, position, and salary led to work performance. It is indicating that differences in gender, status, educational level, work experience, position, and salary had a difference in work performance significantly at statistics level 0.05.

Table 2 Means and Standard Deviation of the Factors

Independents Variables	Means	S.D.	Meaning
Transactional Compensation	3.88	0.97	High
- Salary	4.00	0.93	High
- Merit Pay	3.77	0.98	High
- Bonus	3.88	1.01	High

Benefits		3.97	0.96	High
- Healthcare		4.05	0.97	High
- Provident Fund		3.86	0.91	High
- Vacation		4.02	0.99	High
Relational Compensation		3.94	1.26	High
- Challenging Work		3.97	0.89	High
- Career Advancement		3.82	0.93	High
- Recognition		3.90	0.92	High
- Supervisor		3.98	1.97	High
- Collaboration		4.02	1.77	High
- Work Environment		4.04	0.95	High
- Colleague		3.88	1.45	High
Total		3.93	1.23	High
Dependents Variables				
Work Performance				
- Quality		4.01	0.86	High
- Quantity		3.84	0.90	High
- Timeliness		3.97	0.92	High
Total		4.097	0.886	High

3. The analysis of the ANOVA testing of the demographic data and work performance of Generation Y in the Lower Northern Region Part of Thailand are revealed in table 3. The result revealed that there are all demographic factors of gender, status, educational level, work experience, position, and salary led to work performance. It is indicating that differences in gender, status, educational level, work experience, position, and salary had a difference in work performance significantly at statistics level 0.05.

4. The analysis of the ANOVA of transactional compensation, non-directed monetary compensation (benefits), and relational compensation with the work performance are shown in table 4. It indicated that differences in transactional compensation, non-directed monetary compensation (benefits), and relational compensation, had differences in the work performance significantly at statistics level 0.05.

Table 3 ANOVA of demographic data and the life and career skills for 21st century

		Sum of Square	df	Means Square	F	Sig.
Gender	Between Groups	10.60	2	4.761	9.387	0.00*
	Within Groups	203.51	397	0.513		

	Total	214.11	399			
Status	Between Groups	5.69	2	1.42	2.69	0.03*
	Within Groups	208.42	397	0.53		
	Total	214.11	399			
Education Level	Between Groups	43.70	3	14.57	33.85	0.00*
	Within Groups	170.41	396	0.430		
	Total	214.11	399			
Work Experience	Between Groups	24.04	4	4.80	9.97	0.00*
	Within Groups	190.07	395	0.482		
	Total	214.11	399			
Position	Between Groups	22.92	3	7.64	15.82	0.00*
	Within Groups	797.19	396	0.48		
	Total	214.11	399			
Salary (Bath)	Between Groups	47.73	4.00	11.93	28.33	0.00*
	Within Groups	166.38				
	Total	214.11				

*Significant level at 0.05

5. Correlation Analysis of transactional compensation, non-directed monetary compensation (benefits), relational compensation, and work performance with binary correlation.

Table 5 revealed the correlation analysis which colleague and collaboration had the highest relationship ($R = 0.698$), work environment and colleague ($R = .695$), and work environment and collaboration ($R = .694$) at the statistically significant level at 0.00.

Table 4 ANOVA of compensation and work performance

		Sum of Square	df	Means Square	F	Sig.
Transactional Compensation	Between Groups	14.59	3.00	4.86	10.67	0.00*
	Within Groups	180.49	396.00	0.46		
	Total	195.08	399.00			
Benefits	Between Groups	27.88	4.00	6.97	16.46	0.00*
	Within Groups	167.21	395.00	0.42		
	Total	195.08	399.00			
Relational Compensation	Between Groups	12.64	5.00	2.53	5.46	0.00*
	Within Groups	182.44	394.00	0.46		
	Total	195.08	399.00			

*Significant level at 0.05

Table 5 Correlation Analysis

	Salary	Merit Pay	Bonus	Healthcare	Provident F.	Vacation	Challenging	Career Advancement	Recognition	Supervisor	Collaboration	Work Environment	Colleague	Quality	Quantity	Timeliness
Salary	1															
Merit Pay	.470*	1														
Bonus	.574**	.479*	1													
Healthcare	.325	.354*	.323	1												
Provident F.	.412*	.362*	.325*	.589**	1											
Vacation	.478*	.258*	.325*	.369*	.236*	1										
Challenging	.678**	.657**	.677**	.321**	.251	.36	1									
Career Advancement	.651**	.658**	.687**	.347*	.331*	.26	.698**	1								
Recognition	.659*	.547*	.645**	.474*	.254	.36	.658**	.641*	1							
Supervisor	.369*	.412*	.587*	.274	.263	.32	.547**	.621*	.660*	1						
Collaboration	.341*	.478*	.512*	.265	.251	.32	.552*	.632*	.622*	.597**	1					
Work Environment	.367*	.477*	.442*	.655**	.250	.32	.642*	.631*	.641*	.521**	.694**	1				
Colleague	.478*	.424*	.332*	.536	.214	.23	.633**	.611*	.639*	.565**	.698**	.695**	1			
Quality	.587**	.473*	.541*	.658*	.325*	.33	.655**	.637*	.667*	.541**	.659**	.661**	.587**	1		
Quantity	.588**	.581*	.665**	.641**	.332*	.32	.641**	.635*	.656*	.523**	.632**	.532**	.574**	.648*	1	
Timeliness	.574**	.597*	.612**	.621**	.363*	.31	.632**	.614*	.632*	.527**	.648**	.610**	.529**	.547*	.587*	1

*p > .005, **p > .001

4. Regression Analysis

The results of the factors of transactional compensation, non-directed monetary compensation (benefits), relational compensation affecting work performance of Generation Y in the Lower Northern Region Part of Thailand. First, the tolerance and VIF were conducted to find the multicollinearity as indicated in table 6.

Table 6 Measurement

Variables	Tolerance	VIF
1. Salary	0.784	1.365
2. Merit Pay	0.487	2.014
3. Bonus	0.445	2.217
4. Healthcare	0.471	2.127
5. Provident Fund	0.678	1.475
6. Vacation	0.584	1.498
7. Challenging Work	0.446	1.587
8. Career Advancement	0.547	1.389
9. Recognition	0.621	1.587
10. Supervisor	0.512	2.654
11. Collaboration	0.524	2.857
12. Work Environment	0.471	2.558
13. Colleague	0.436	1.421

From the table found that tolerance range between 0.436 to 0.784 and the VIF range from 1.365 to 2.857 which indicated the relationship between independent variables are multicollinearity free and acceptable for Regression Analysis where Tolerance greater than 0.10 and VIF less than 10 (Vanichbuncha, 2007: 84).

The regression analysis found that the independent variable have an effect of 69% and 31% of the others (R-square = 0.69, and Adjusted Square = 0.67) with Standard Error of the Estimation = 0.2787, F Change 689.20, F-test is 689.20 and Mean Square = 59.97, with a significance at 0.00. Furthermore, table 7 revealed the independents variable could predict the performance with a statistical significant level at 0.05

Table 7 The Anova testing

Model	df	Sum of Squares	MS	F	p-value
Regression	2	119.93	59.97	689.20	0.000 ^a
Residual	396	34.45	0.09		
Total	398	154.38			

a. Predictors: (Constant), Sal, Meri, Bonus, Healt, Provi, Vac, Chal, Car, Reco, Sup, Col, Work, Coll

b. Dependent Variable: Performance

Table 8 The Coefficients

Model	Unstandardized	Standardized	t	p-value
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	Coefficients		Coefficients		
	B	Std.Error	Beta		
1 (Constant)	0.47	0.09	-	5.15	0.00*
Salary	0.26	0.04	0.30	6.78	0.00*
Merit Pay	0.45	0.11	0.22	9.214	0.00*
Bonus	0.25	0.20	0.24	6.825	0.05*
Healthcare	0.55	0.16	0.52	5.117	0.09
Provident Fund	0.15	0.05	0.25	6.12	0.07
Vacation	0.19	0.06	0.22	2.22	0.02*
Challenging Work	0.13	0.03	0.16	4.33	0.00*
Career Advancement	0.09	0.03	0.11	2.86	0.01*
Recognition	0.18	0.03	0.24	6.10	0.00*
Supervisor	0.04	0.01	0.09	3.54	0.00*
Collaboration	0.02	0.01	0.05	1.78	0.08
Work Environment	0.06	0.03	0.07	2.26	0.02*
Colleague	0.04	0.02	0.07	2.39	0.02*

a. Dependent Variable: Performance

Table 8 revealed that factors of salary, merit pay, bonus, vacation, challenging work, career advancement, recognition, supervisor, work environment and colleague could predict the work performance of Generation Y except the healthcare, provident fund, and collaboration. The Unstandardized Coefficients (B) = 0.47, Standard Error = 0.09., with t = 5.15, and p-value = 0.00. However, the salary factor has a regression equal to 0.26, which means that if the generation Y got salary increased 1 unit, the level of work performance will increase 0.026. The regression model is as below:

$$\hat{y} = 0.47 + 0.26(\text{Salary}) + 0.45(\text{Merit Pay}) + 0.25(\text{Bonus}) + 0.19(\text{Vacation}) + 0.13(\text{Challenging Work}) + 0.09(\text{Career Advancement}) + 0.18(\text{Recognition}) + 0.04(\text{Supervisor}) + 0.06(\text{Work Environment}) + 0.04(\text{Colleague})$$

$$Z = 0.30(\text{Salary}) + 0.22(\text{Merit Pay}) + 0.24(\text{Bonus}) + 0.22(\text{Vacation}) + 0.16(\text{Challenging Work}) + 0.11(\text{Career Advancement}) + 0.24(\text{Recognition}) + 0.09(\text{Supervisor}) + 0.07(\text{Work Environment}) + 0.07(\text{Colleague})$$

5. Conclusion and Discussion

This research aims to discover factors of compensation affecting work performance of the Generation Y by using cross-sectional quantitative regression analysis. The results found

that transactional compensation, which is indicated as monetary returns, are salary, merit pay, bonus, as well as non-monetary returns or benefits that are vacation, including relational compensation of challenging work, career advancement, recognition, supervisor, work environment, and colleague influence individual work performance at the statistically significant level of 0.05. This could be confirmed by Charoenloetiwat (2015) who found the positive relationship among remuneration, welfare, quality of life effect employees' royalty of the Thai Government official Control Disease Department. Similar to Muguongo et al. (2015) who discover that core compensation of base-pay, and variable compensation which are merit pay or pay for performance, bonuses, cost of living, and benefits (vacation, lunch, uniform) affect employee job satisfaction and performance.

On the other hands, the research found that provided healthcare, and provident fund, affect work performance insignificantly, this may be because that Generation Ys perceived that healthcare and provident funds might not influence their work performance compared to other generations, because Generation Y may perceived that they could take care of themselves well enough and might not desire for the organization to pay for types of compensation, they have their own health insurance and entrepreneurial skill to earn money from various sources not solely depends on only salary. According to Generation Ys characteristics, they value freedom, technological know-how, informality, optimistic, multitasking skills, and fast learning, so generation Ys are prepared for the future more carefully than previous generation, comparing to Generation boomers and Xs which need more stability, and healthcare provided by the organization. The benefits of managing compensation with Generation cloud increase the organization reputation in the long run, reduce the cost of compensation, moreover, it leads to less severe and better response to diversity management especially the Generational gap and conflict.

6. Recommendation

This study aims to discover factors of compensation affecting Generation Ys' work performance. Both public and private organizations are required to design a HRM policy and compensation package that meets the needs of each generation, especially Generation Ys which hold the largest proportion of the labor force at the present by adapting the Generation Ys' characteristics to their needs such as, according to this study, managers might implement

the relational compensation package and direct financial compensation simultaneously. This means that conducting a good salary, bonuses with merit pay, and paid vacation as well as establishing a relational compensation, critically the recognition and career advancement. The further research should 1) expand to examine other generations such as Generation Zs. 2) apply the qualitative methods in order to confirm the results, and 3) collect other compensation criteria apart from this study.

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