

A Snapshot Study of China's Young Workers in 2015



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INTRODUCTION

SURVEY CONTENT

Many of today’s young migrant workers – a new generation aged 16-25 – were left behind children who grew up in absence of parental care. While young workers are under less financial pressure to support their families than previous generations, they display a common set of psychological traits that impact their work performance, such as restlessness, boredom, hopelessness and irresponsibility. As a result, today’s young workers constantly face difficulties in the workplace and this is reflected in the staff turnover of this demographic, which is at an all-time high. This group is a special workforce, not only because of their vulnerabilities and special needs, but also because of their potential to become a loyal and productive workforce.

In response to the challenges faced by young workers, CCR CSR implements in-factory training sessions to help young workers establish self-recognition and positive attitudes towards work and life, and equip them with basic concepts and skills related to communication and conflict management. This snapshot study was conducted between November 2014 and August 2015 as a baseline assessment before rolling out in-factory trainings to better understand the special characteristics of young workers and factors associated with their work satisfaction and retention. When the project is completed, the baseline results will be compared with final evaluations to identify whether or not the trainings had the desired impact on workers.

SURVEY DESIGN AND SAMPLING

179 young workers aged 25 or younger from 3 factories in Guangdong Province participated in this survey.

The study captures quantitative data through a multiple-choice questionnaire. The survey contains 40 questions on key characteristics of workers, including their relationships with the management/supervisors, attitudes towards work, challenges and concerns in life and work etc.

All three of the factories selected for the study are participating in a training project in Guangdong Province, China. One of them is a toy factory with 20,000 workers, and the other two are small electronics factories with about 500 and 900 workers respectively.

Table 1. Sample Description			
Young Workers ≤ 25		Control Group ≥ 26	
Gender			
Female	110	Female	74
Male	69	Male	8
Average age (years)			
22		35	
Average length of service (months)			
10		24	

A total number of 179 young workers (all workers who are 25 or younger) were randomly selected to participate in the survey. Another 82 older workers above 25 were designated as control group (see Table 1).

SPECIAL CHARACTERISTICS AND EXPERIENCES

In order to understand how to turn young workers into a more stable and productive workforce, it is crucial to look at their special characteristics, particularly their different experiences and perceptions at work. Therefore, we first compared their challenges and worries as well as their backgrounds, work satisfaction and retention with their older peers.

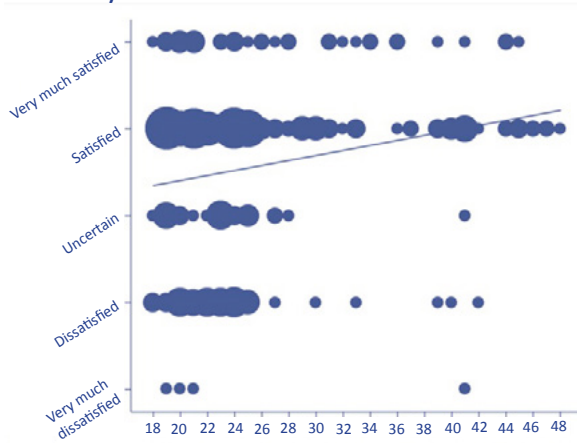
BACKGROUND

Most of the young workers finished middle school, with very few exceptions. Overall, the education levels of young workers are higher than their older peers. This is expected due to the enforcement of the nine-year compulsory education since 1986.

Not surprisingly, only 79% of these young migrant workers grew up in rural areas as compared to 91% of the older workers, which is in line with the increasing urbanization in China.

WORKER SATISFACTION AND RETENTION

Chart 1. How satisfied are you with your factory?



As predicted, there is a strong correlation between age and job satisfaction & retention. The survey shows that the younger the workers are, the less they are satisfied with their jobs and the factory.

Younger workers are less satisfied with their jobs and the factory than their older colleagues.

The relationship between age and worker satisfaction is illustrated in Chart 1. The upward sloping regression line indicates a strong positive correlation between age and worker satisfaction¹. Other indicators pointing to job satisfaction is how much they would recommend the factory to their friends and family, and how much they look forward to going to work in the morning. All these indicators showed that younger workers are generally less satisfied with their work and the factory they work for.

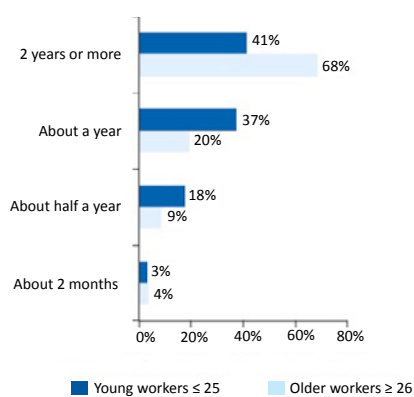
Only 41 % of young workers are planning to stay in the factory for 2 years or more – where as it's 68% for their older colleagues.

As an indicator for worker retention, we used how long the workers planned to stay in their current factory. The result shows a very similar trend to Chart 1 with a significant positive correlation between age and worker retention², confirming our assumption that generally the young workers plan to stay at the factory for a much shorter time period than the older ones. Chart 2 illustrates that only 41% of young workers plan to stay in their factories longer than 2 years compared to 68% of older workers.

1. We ran partial correlations controlling for gender; the correlation between age and worker satisfaction is $r = 0.181$, $sig = 0.003$. We also used a 90% confidence interval for all correlations in this study.

2. We ran partial correlations controlling for gender; the correlation between age and worker retention is $r = 0.267$, $sig = 0.000$.

Chart 2. How long do you plan to stay in this factory?



RELATIONSHIP WITH THE SUPERVISOR/MANAGEMENT

Trust and a positive communication style are important in building good relationships between workers and supervisors.

The survey further shows that the younger the workers are, the less trusting they tend to be towards their supervisors and the factory management, and they also feel the supervisors listen to them less when they have a problem.

Chart 3 compares the trust of young workers in their supervisors with that of older ones. The graph shows that even though both groups are mostly trusting towards their supervisors, there is a much higher degree of trust among older workers than among younger ones. This trust is important because there is a significant positive correlation between workers' trust for their supervisors/managements and their relationship with their supervisors.³ If workers have greater trust in their supervisors/management, they are more likely to get along better.

The survey data further reveals that supervisors' communication style has a strong implication on how well a young worker gets along with his/her supervisors/management: different approaches, such as shouting or yelling versus patiently listening to workers' problems, will affect how the supervisors are perceived by the young workers.

Chart 3. Do you trust your supervisor?

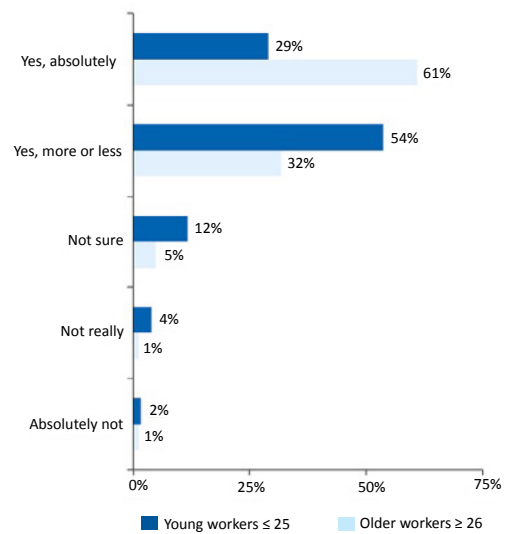


Chart 4 compares the negative communication style of supervisors reported respectively by young workers and older ones. As shown, the margin for reporting negative communication style of supervisors was 37% higher among young workers reported than their older peers. When supervisors are more negative in their communication style, young workers are less likely to get along with them.

3. The correlation between workers' trust in their supervisors and their relationship with their supervisors is $r=0.509$, $sig=0.000$.

Chart 4. Reported negative communication style of supervisors

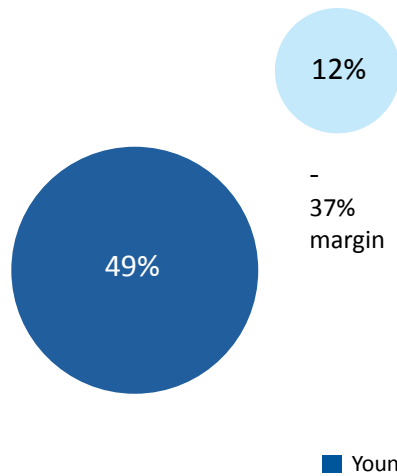
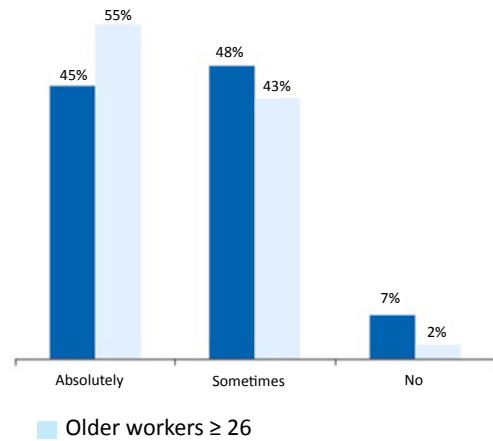


Chart 5. Do you think your supervisors listen to you when you have a problem?



Another example can be seen in Chart 5 above, which shows that compared to older workers, fewer young workers believe their supervisors listen to their problems. Being listened to is important to the young workers as it strongly influences the relationship with their supervisors.

CAREER PROSPECTS

Career development opportunities and challenges appear to be an important concern for the young workers. It is also something they worry about much more than the older workers (Chart 6) and is perceived as a greater challenge (Chart 7). With higher education levels than their older peers, the young workers might have more ambition to progress in their careers. Yet, with little support to achieve their career development goals and their tendency to frequently change jobs, they most likely feel stuck doing the same low skilled job for much longer than they wish. Understandably, this frustration can easily lead to hopelessness – a common psychological issue we discovered in another study we conducted on young workers in the electronics sector.

30% of young workers worry about career advancement and 37% consider it a major challenge.

Chart 6. What do you worry about?

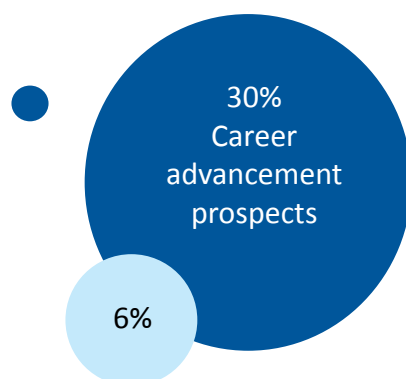


Chart 7. What challenges do you think you will be facing this year?



■ Young workers ≤ 25 ■ Older workers ≥ 26

WHAT MAKES YOUNG WORKERS STAY?

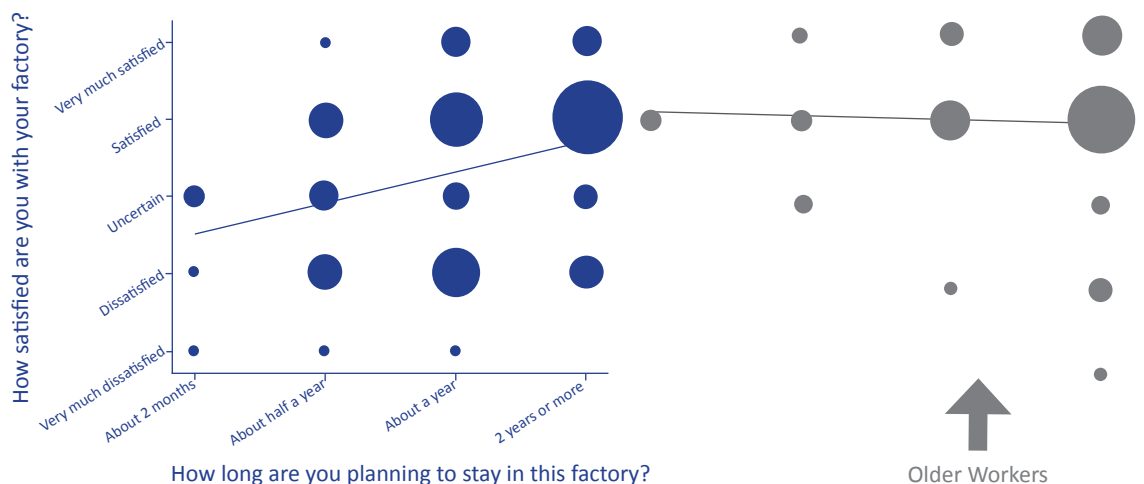
After looking at different characteristics of young workers, the natural questions to ask is how these factors are related to their decision to stay in their jobs. Intuitively, we looked at the connection between job satisfaction and retention to see if their job satisfaction plays an important role in their decision to stay. Subsequently, we also looked at the association between job satisfaction and different experiences young workers have in their jobs, i.e. relationship with the supervisor/management and career prospects.

WORKER SATISFACTION VS. RETENTION

The results show a strong positive correlation between job satisfaction and retention of young workers. The correlation graph on the left side of Chart 8 is an example of such a correlation⁴ (size of the bubbles represents frequency weights). As the upward sloping regression line indicates, the workers who plan to stay at the factory longer tend

to be more satisfied with the factory (or visa versa). On the same chart, the graph on the right side shows the correlation for older workers. Interestingly, as shown by the flat regression line, there is no significant correlation between their job satisfaction and retention⁵. Certainly, we cannot jump to the conclusion that older workers' satisfaction with their jobs/factory is unrelated to the length of their stay in the factory, because it is possibly due to a bias caused by a relatively small sample size. However, it might be safe to assume that worker satisfaction might play a much bigger role in the retention of young workers than the older ones.

Chart 8. Worker Satisfaction vs. Retention



4. We ran partial correlations controlling for gender; the correlation between job satisfaction and retention of young workers is $r=0.335$, $sig=0.000$.

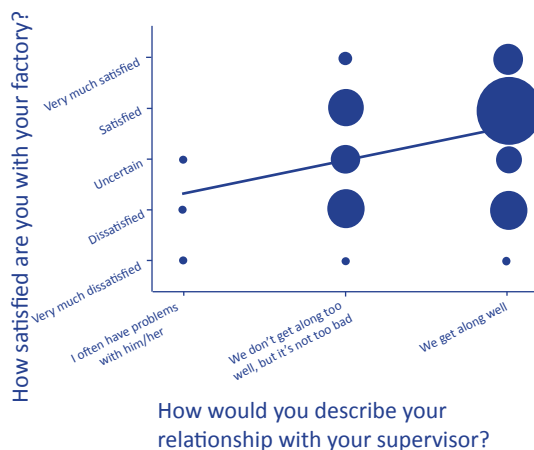
5. We ran partial correlations controlling for gender; the correlation between job satisfaction and retention of older workers is $r=-0.005$, $sig=0.966$.

RELATIONSHIP WITH SUPERVISOR/MANAGEMENT VS. WORKER SATISFACTION

For young workers, relationships with supervisors and worker satisfaction go hand in hand.

For young workers, relationship with the supervisor/management is one important factor strongly associated with worker satisfaction. As shown in Chart 9, young workers who get along better with their supervisors tend to be more satisfied with the factory.⁶ The ones with better relationship with supervisors are also more likely to recommend the factory to their friends/relatives and look forward to going to work in the morning. It is worth mentioning that while the young workers struggle more to get along with their supervisors, this relationship seems to play a much greater role in their work satisfaction.⁷

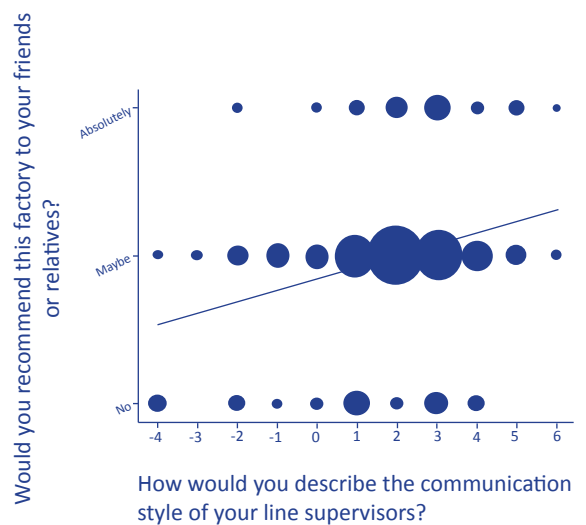
Chart 9. Relationship with the Supervisor vs. Worker Satisfaction



6. The correlation between young workers' job satisfaction and their relationship with the supervisors is $r=0.338$, $sig=0.000$.
 7. The correlation coefficient for older workers is significantly smaller ($r=0.2104$, $sig=0.058$). Additionally, many indicators of job satisfaction simply do not have significant correlations with older workers' relationship with their supervisors.
 8. The correlation between young workers' job satisfaction and the supervisors' communications style is $r=0.2801$, $sig=0.000$.

One important factor that is associated with the young workers' job satisfaction is supervisors' communication style. Chart 10 gives an example of such a correlation.⁸ Numbers on the X-axis indicates the sum of positive and negative communication styles reported by each respondent. It shows that when the supervisors have more positive communications style, the young workers are more likely to recommend the factory to their friends and relatives. On the other hand, when the supervisors have more negative communications style, the young workers are less likely to recommend the factory.

Chart 10. Supervisor Communication Style vs. Worker Satisfaction

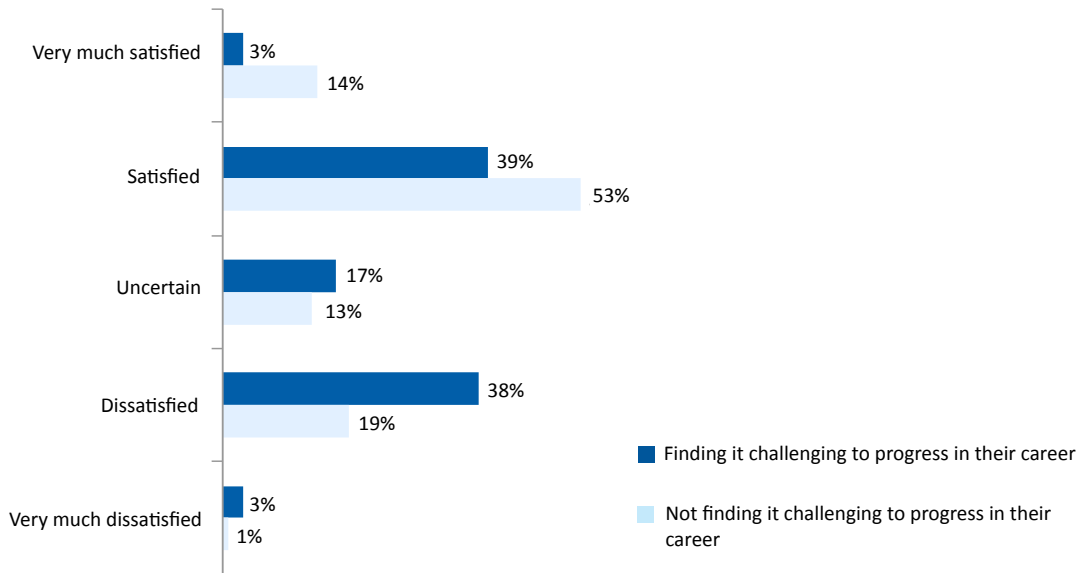


CAREER PROSPECTS VS. WORKER SATISFACTION

Young workers feel more challenged and concerned about progressing in their careers, and it plays an important role in their job satisfaction. Chart 11 highlights that the young workers who find it challenging to progress in their careers are generally less satisfied with the factory than those who do not⁹. As the chart illustrates, 25% more young workers are satisfied with their jobs when they do not find it challenging to progress in their careers.

Career advancement prospects and worker satisfaction are closely linked. 67% of young workers who did not consider career advancement a challenge were satisfied with their jobs.

Chart 11. How satisfied are you with your factory?



Additionally, if young workers worry about their career prospects, they look less forward to going to work in the morning.

9. The correlation between young workers' job satisfaction and whether or not they find it challenging to progress in their career is $r=-0.280$, $sig= 0.000$.

YOUNG MALE AND FEMALE WORKERS

Looking at the factors associated with worker satisfaction, we have found that young male workers generally find it more challenging to progress in their careers (Chart 12), and more likely to worry about career advancement prospects (Chart 13) than their female counterparts. These trends might make young male workers more vulnerable to frustration at work, and result in higher turnover.¹⁰ When we

looked at other concerns and challenges of young workers though, we found that 42% of young female workers worry about health in contrast to only 26% of young male workers. These different characteristics of female and male workers should get special attention in future studies in order to fully understand and address their special needs.

Chart 12. What challenges do you think you will be facing this year?

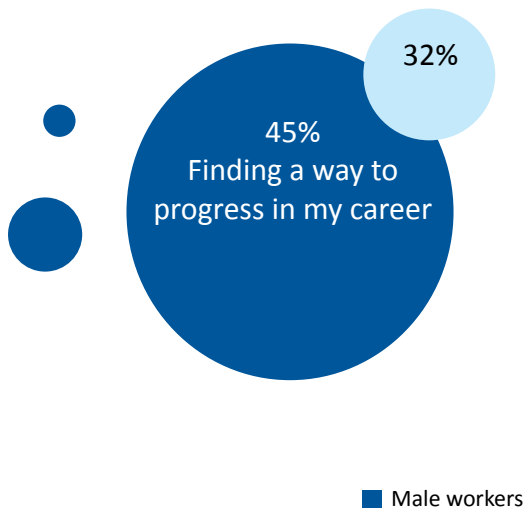
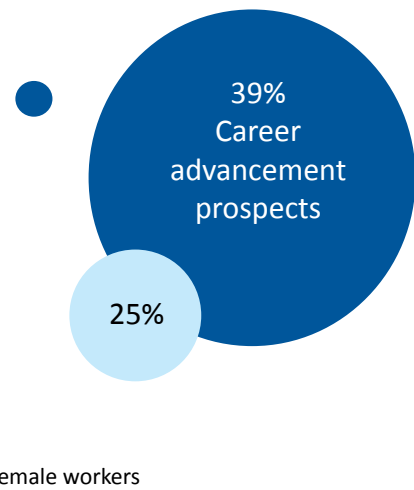


Chart 13. What do you worry about?



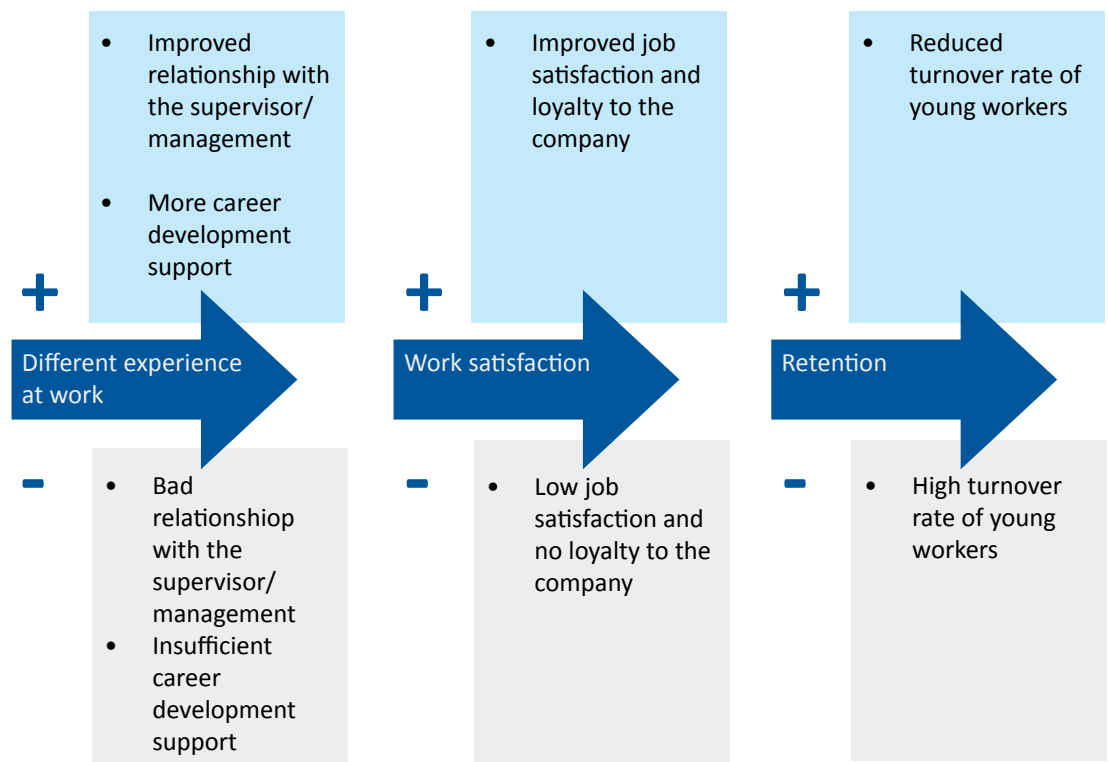
10. Even though we haven't found a significant correlation between gender and retention among young workers in this study, we cannot exclude this possibility due to a relatively small sample size, and will keep looking at this relationship in future studies.

CONCLUSION

Based on the above observations, the the ultimate question is: how can this group be turned into a more stable workforce with high productivity and loyalty? The survey results show that there is a strong positive correlation between young workers' job satisfaction and retention; therefore, in order to improve retention, we will need to improve worker satisfaction. We also found that young workers have different experiences and perceptions from their older peers in terms of their relationship with supervisors/management and career prospects, both of which are significantly correlated with their job

satisfaction. Therefore, in order improve worker satisfaction, the logical step is to improve the relationship between young workers and their supervisors/ management, especially by improving supervisors' communication style. Another important step is to provide more career development support for the young workers, so that they will have an incentive to stay and eventually turn into a group that is characterized not as less restless, frustrated and hopeless but as one that is productive and stable.

Chart 14. Takeaways



For future studies, we will try to identify the different characteristics and vulnerabilities of young male and female workers respectively, in order to design programs tailored to their special needs.