

Generation Y – challenge or opportunity?

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In my work with clients I've been part of many debates considering whether action is needed in organisations to accommodate Generation Y (Gen Y). Most tend to be in agreement that this is a new breed of worker that warrants discussion, but not all have been convinced that they need to change. During these discussions I often hear comments like "I had to work my way up the ladder, why do they think they shouldn't have to", "they are far too confident - verging on the arrogant", "they just expect things too easy". Some managers have said that they feel resentful and want to put Gen Y in their place. The truth is that Gen Ys attitudes to work and what they expect from employers are fundamentally different to the attitudes of Generation X (Xers) and the Boomer Generation (Boomers) and in some organisations this is causing a certain amount of pain.

What makes Gen Y so different?

Gen Ys attitudes, values and behaviours are different from those of the other generations. Generational theory tells us that the reason for this is their experiences and conditioning in their formative years. There are four key factors at work: They've only ever known **economic prosperity** which makes them used to having what they want and not afraid to go for things. Some believe this is the reason why Gen Y appear to be more flighty with their careers; **globalisation** which makes the world feel smaller and everything and everyone is so much more within reach; growing up in the "**decade of the child**" where parents put children first and are involved in all aspects of their decision making appears to have created a workforce which require more feedback, coaching and mentoring; and last but not least the **technological revolution** which has had a huge impact on how they communicate, network, find information, learn and work.

Is Gen Y more demanding?

The experiences Gen Y grew up with means that they are used to customising their own experience. Standardisation does not make sense to them. Let me give you an example based on the music industry. Xers and Boomers grew up with records, then tapes and now CDs. A producer puts them together and decides which set of songs you can buy as a package. Old habits die hard and I still buy CDs. Even though I only put the tracks I like on my iPod I still like to have the entire CD for my collection. We all have the benefits of non-standard packages now in buying music and other entertainment. Not only can we buy it how we like but we can consume it when we like. And the customisation options are endless.

This is Generation Y's world. Yet organisations have not caught up. They are still very standardised in their approach. People policies and practices that still prevail today were designed for a very different

era. An era when jobs were more well defined, there were far fewer knowledge-based jobs, customers more predictable, communications limited to telephone, face-to-face or fax, working hours were mainly contained to times when everyone else was working. 24/7 connectivity was not possible because we were not connected via the internet.

Generation Y don't understand standard. They are used to designing their own gap year, their own MySpace, the design of their sports shoes etc. What about their own career, jobs and benefits packages? In the past job descriptions have been created by the company and given to the employee to fulfil. This is changing. Not only are people wanting to add their own interests and personality to the job they are also looking to take short term sabbaticals, spend part of their working week on pro-bono charity work, run their own start-up business, the list goes on. Gen Y, especially the highly talented ones who know they are very marketable, are not content to be restricted anymore. And this is the key difference, where Xers and Boomers may have liked to have had the opportunity to do different things there was no expectation that they could so they didn't ask. But why would Gen Ys buy a CD when they can create their own playlists.

Should employers change working practices for Gen Y?

In a recent conversation with senior business managers of an Investment bank they suggested that if Gen Y are so tricky to manage and retain why bother. They felt their efforts were better placed recruiting the older generations. In stark contrast an insurance company who embraced the talent and confidence of their Gen Ys was rewarded with transformational improvements to their knowledge management system. The key is not to favour one generation over another but to appreciate the different perspectives and talents that each bring. Gen Y do have talents and approaches that present an opportunity to organisations. However, this is not the only reason why what Gen Ys want from work should be accommodated.

Perhaps one of the most compelling is that, according to our research, most of what Gen Ys want from work are also things that Xers and Boomers would quite like too but have been conditioned not to expect. This means that changes made would be beneficial to the whole workforce. That has got to be good! In ten years time Gen Ys will make up the majority of the working population and have management positions. By then they will be deciding how companies are run, so it seems like a good idea to understand them and start making changes now to maintain and secure your talent pipeline.

What should employers be doing?

talentsmoothie's research on what Gen Ys want from work has had over 3500 respondents to date. The data has highlighted some key points. There are two I'd like to mention here.

The most important factor for keeping Gen Y's motivated is ensuring they are doing work that they love. That's the challenge for recruiters – to make sure that they find out what people *love* to do (not just what they *can* do) and match the people to the job.

Two of the most likely reasons Gen Y leave employers are for better work life balance and poor management. Employers need to look at their working hours and

flexible working practices. But the most important area to address if you are to keep the best people is giving them good managers and mentors, and ideally both. They are used to regular feedback, they are used to parents who pay them a lot of attention and they want to learn fast. Excellent leadership is more important now than it has ever been as an engagement and retention tool. In our leadership development work we are finding that what managers may have been taught on programmes set them fair to manage Gen X but Gen Y are out of a different mould and need different treatment.

A final word

Still not convinced?

Not many companies are managing to become the places that talented Gen Ys are queuing up to work in though most that we speak to aspire to that. The good news is that, contrary to the much espoused view that Gen Y is disloyal, our research shows that if you get it right the rewards are high. If you give them what they want they will stay.

For more information about our research and leadership development programmes visit www.talentsmoothie.com or attend our upcoming seminars on the 18th September or 13th November.

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