



ENGAGING THE Y GENERATION

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A new generation is entering the workforce and causing an unprecedented shift in workplace dynamics – and your workplace might not be an exception.

As Generation Y, those born from 1978 onwards, move into the professional stage of their life, so too are they flexing their muscles unlike any generation before them. This is leaving employers a little shaken and uncertain as to what the future holds.

Companies are starting to face enormous challenges in motivating and engaging this generation and must re-evaluate their employee value proposition or risk losing the battle for the minds of Generation Y. For industries already suffering from a poor image, skill shortages or lower graduate outputs, such as IT, the challenge will be even more poignant and perplexing.

Generation Y workers tend to choose careers that will help them to achieve personal fulfilment, provide stimulating and rewarding experiences and which also allows them to have a healthy balance between their work and life. Working to live, not living to work is the new mantra - where money is not the primary motivator.

Generation Y are carving out new territory for themselves and in doing so challenging the conventional corporate culture and work ethic as we know it. So how can your organisation excite and engage this new generation? And how can you realistically prepare for the workplace cultural changes that are expected to occur over the next couple of years?

The whys of Generation Y

There is some debate as to when Generation X ends and Y begins. According to Generation Y commentator Peter Sheahan, Generation Y are the 4.5 million Australians born between 1978 and 1994 who are now forming the frontline of Australian workforces. In a publishing abstract of Sheahan's latest book, ***Generation Y: Thriving (and Surviving) with Generation Y at Work***, Generation Y are described as “impatient stimulus junkies with self-esteem on steroids that are proving very difficult to manage. But on the other hand, they are also extremely innovative and passionate when - and if you can - engage them.”

Insight into their upbringing and life experiences provide some clues as to what has shaped Generation Y attitudes. They are the children of the wealthy Baby Boomers and were raised to believe in themselves and to have high expectations. They are the most technically savvy, educated and materially endowed generation in modern time, reaping the benefits of a buoyant and politically stable economy. They are also the most entertained and media saturated generation, enjoying extraordinary spending power and consequently being stereotyped as a streetwise, brand conscious and self-indulgent generation of consumers.



While there are many generalisations in typecasting an entire generation, Generation Y certainly demonstrate some distinctive characteristics that are bewildering bosses equally around the globe. Common traits include:

- Want success quickly and pay-package to match
- Do not see the need to earn credibility or work their way up the corporate ladder
- Do not want to do menial tasks, but instead crave challenging and creative responsibilities
- Have little loyalty to companies, but are loyal to their peers
- Likely to work for only two to three years with any one employer
- Likely to change careers six times in their working life
- Cynical, questioning and live for now
- Expect training programs, time off to travel and flexible working hours

However, they also bring new behaviours and positive traits to the workforce not prevalent before. Having grown up in a multi-cultural and globalised society, they are ethnically more diverse than any previous generation and display a higher degree of acceptance towards different cultures, styles and behaviours. They are more self-sufficient, open to change and able to learn new tasks quickly, in addition to being technically proficient and media savvy. This enables them to communicate across multiple platforms and technologies, which, in a world that is constantly on the move, will help employers to grow and adapt to continuously changing technology and business conditions.

Why are they crucial to your business?

Many employers would like to ignore the demands made by Generation Y, stating ‘I paid my dues and so should these young upstarts’. However, this is not in the best interest of creating a sustainable workforce. Whether you like it or not, this is a generation that is in-demand and are an essential ingredient in the future prosperity of the global and local economy.

“Employers need to recognise that not only does Generation Y have different expectations and work ethics, but that they are also a valuable and coveted talent pool,” says Andy Cross, Diversiti’s NSW Sales and Delivery Manager. “Younger workers are needed to replace an ageing workforce and at present the tables have turned in favour of the candidate.

“Current skill shortages mean Generation Y candidates will increasingly call the shots. To some extent, it will be up to employers to make themselves attractive, rather than the other way around.”

Generation Y are a natural evolution and a product of the circumstances and global economics they have experienced to date. Understanding them, while ascertaining what motivates them and how to engage them is a crucial step in securing and retaining their talent. Rather than trying to change the attitudes of young people, employers need to change their own mindset and behaviours about how to maximise the return on investment in younger people and how to most effectively engage them within the organisation.



Strategies to engage Generation Y

Employers need to deploy strategies that will harness the energy, creativity and loyalty of this generation of young workers now. They need to think of new ways to attract and retain Generation Y to their ranks whilst also being realistic about outcomes and expectations. This is uncharted territory for many HR Managers and perhaps a timely opportunity to overhaul static or outdated workplace policies. Steps that can be taken include:

1. **Understand Generation Y:** This is the first step in breaking down generational barriers and accepting that Generation Y workers are indeed very different from previous generations of younger workers. This is not to say that they are better or poorer performers than older generations, but merely that their values and drivers are significantly different to their predecessors.
2. **Know what Generation Y find attractive in a job or company:** According to social researcher Mark McCrindle, when a Generation Y worker decides to accept a job, "salary ranks sixth in order of importance after training, management style, work flexibility, staff activities and non-financial rewards." Look at job packages and be sure to include elements that will keep them engaged for as long as possible.
3. **Implement more flexible working arrangements:** Generation Y are attracted to and expect a variety of flexible work options such as teleworking, compressed working weeks and maternity/paternity leave. Accenture, for example, allows graduates to take a sabbatical once they are recruited to get life experience. Generation Y are certainly not impressed by overtime, but are prepared to put in the extra time if there is some recompense and if they are not taken for granted.
4. **Provide job variety and opportunities to learn:** This generation crave variety and have shorter attention spans. Find ways to keep them motivated, educated and stimulated. Move new hires around the organisation or, if applicable, implement secondments that will appeal to Generation Y's desire for experiences abroad. Initiate mentoring programs and provide tools that enable them to learn quickly – such as online learning and intranets.
5. **Provide an interesting place to work:** While many organisations will never fit the 'most-desired' employer category, simple measures can be taken to make their work environment more interesting. For example, one of the big-four recently introduced a comfortable communal area on each floor with lounge chairs, newspapers and fruit for all.
6. **Give responsibility and respect:** Generation Y want responsibility at an early age. They want to be understood, have a voice, learn from and gain respect from the people they most admire. Provide teamwork and project type work to help this group gain crucial, yet often elusive leadership experience.
7. **Deliver on promises and be genuine:** Ensure your HR policies and promises are fair and equitable. If an older person is performing exactly the same job with a higher level of pay, Generation Y's heightened sense of fairness will expect the same compensation. If a graduate recruitment campaign promises the world and fails to deliver, a disgruntled Generation Y worker will quickly leave and deride your organisation in the process.



8. **Open door policy and be realistic:** Be realistic as to how long Generation Y will stay onboard and work around this. They may indeed stay longer, but most likely they will continue to seek out new jobs, opportunities and experiences (be it work, study or travel). Remember too, that if they do have a good experience with your company, that they may come back at a later point. Introduce an alumni program or the like that will allow you to keep in touch with ex-employees and make them feel valuable.

Are Generation Y really that different?

Are Generation Y really so different to the rest of us – wanting to be treated fairly, with respect and in accordance with what one believes themselves to be worth? Or are they merely a product of the times where the confluence of supply and demand, coupled with the experiences that have made them into confident young people, have fallen in their favour to give them a voice for workplace reform unlike any other generation before them.

Andy Cross believes that Generation Y represent a broader wave of animosity and disgruntlement within the workforce and reflect the desires of a growing trend for workplace flexibility and changing work styles across the board.

“This battle for talent should extend beyond the boundaries of one generation, and instead encapsulate the needs of all generations represented in a business. Employers need to know how to engage both older and younger people – and not force a one-policy-fits-all-approach, but instead respect generational differences and stimulate the drivers that will maximise each individual’s talent and performance.

“At the end of the day it comes down to good people management, a conducive and flexible workplace culture and being realistic and fair.”

In fact, it is highly likely that Generation Y’s insistence on a ‘better deal for them’ will be the catalyst for more broader and positive workplace change, and a healthier and more productive workforce in the long-term. Other generations have been gently pushing for this all along, but haven’t quite been in a position of power and privilege to see it to fruition. If Generation Y seize the opportunity now, they will be remembered as the generation that made ‘going to work’ a far more equitable and enjoyable proposition for all.