

Generation Y

Charles Woodruffe asks why Y?

In the run-up to the recession, there was a plethora of articles and conferences claiming to unlock the perplexing nature of Generation Y.

They are the pipeline of new talent available for employers but their values, needs – indeed, demands – were seen as different to those of their forebears. Employers were trying hard to understand them in order to attract and retain them. They were presented with a stereotype of very demanding, ‘want it all now’ young people who were difficult to recruit but easy to lose. Generation Whine was rather cruelly applied as an alternative epithet.

The Generation Y stereotype has a logical basis in the way in which members of that generation were parented. In talking about Generation Y, we are talking about people brought up by active parents. Although, somewhat irritatingly, every writer seems to date the generation differently, Generation Y is broadly the group of people born in the early 1980s and runs through to those still in secondary school. Their parents are broadly from the group known as the Baby Boomers – those born between the end of World War Two and the mid 1960s.

The key feature of Generation Y's upbringing is that their Baby Boomer parents have been heavily involved in it. We are talking about the huggy parents who ferry their children

from event to event, do their homework for them, help them with their applications and, most importantly, have given them a high sense of self-worth.

Nor has the active parenting ended. The Americans have conjured the marvellous term ‘helicopter parents’ to describe the ongoing vigilance of the parents of Generation Y. This vigilance extends to a willingness to take issue with HR managers who do not recruit their progeny!

So where has all this left the children? Supposedly, members of Generation Y are marked out by their self-belief. They have had a history of positive feedback, understanding and parents answering their every need. They have little track record of frustration and having to wait. They have tended to be able to obtain what they want when they want it – be it a lift to a party or the latest Game Boy/Xbox etc. And the members of Generation Y that you are seeking to recruit and train will, almost by definition, have had a history of academic success.

As if having dotting parents was not enough, members of Generation Y came to the labour market – until last autumn – at a time of plenty.



But autumn 2008 might, of course, be where the story ends. In summer 2009, we need to take stock. Firstly, we were only ever talking about a caricature. Secondly, we need to decide whether the caricature still applies and matters.

The caricature

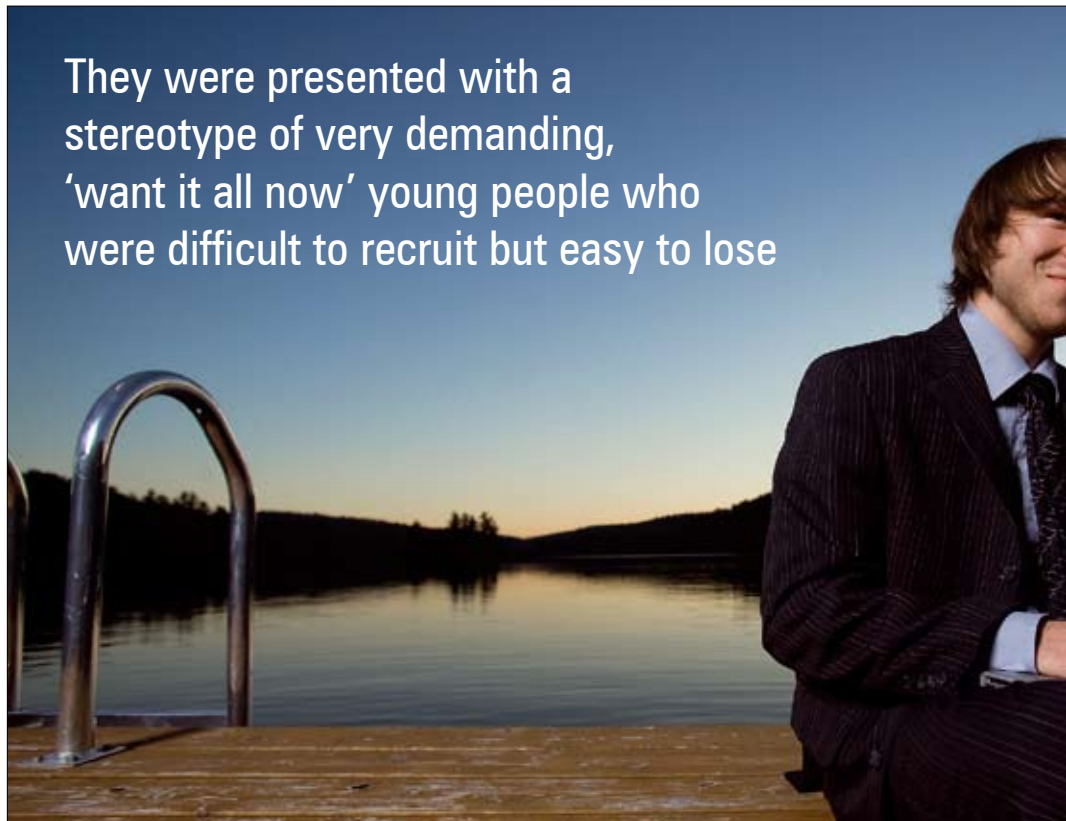
If you follow Maslow's Hierarchy of Needs, with basic survival and security needs at the bottom and self-actualisation at the top, the parenting and background economy were said to have resulted in Generation Y being able to move directly to address higher-order needs. By the caricature, they are self-actualisers. In the workplace, they are painted as a high-maintenance generation, marked out by:

- High ambition
 - Sense of entitlement
 - Outspoken – they show a high willingness to challenge managers and are undeterred by traditional hierarchy, giving off an air of over-confidence
 - Inability to take criticism
 - Wanting work-life balance and flexibility. One survey suggests that 85 per cent want to spend 30–70 per cent of their time working from home
 - Wanting attentive management from supervisors and regular appreciative feedback.
- Generation Y is also said to:
- Struggle with processing failure and criticism
 - Unable to internalise lessons
 - Have difficulty with unclear guidelines or minimal management – yet not want to be told what to do
 - Be ready to resign if their jobs are not fulfilling and fun, with decent holidays and the opportunity for career breaks and time off for charity work.

At the same time, Generation Y offers several positives, including:

- A complete at-oneness with IT – they have been brought up with it
- Team-working skills
- Self-belief to achieve

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- A high level of drive. Seemingly in contradiction with the emphasis of Generation Y on work-life balance, people comment on their willingness to work after hours and at weekends to get a job done.

That was the caricature of Generation Y up to the recession – a time when Generation Y did not fear unemployment, having every belief in its ability to secure alternative employment. What is the status of the caricature now?

Firstly, like all caricatures, it would be foolish to apply it without thought or inspection to everyone born in the decade and a half from the early 1980s. Secondly, there is probably a germ of truth in it that it would be equally foolish for managers to deny.

On one hand, the caricature is an exaggeration and shorthand for a particular type of person. On the other hand, it recognises changes that have taken place in people's expectations at work that have spread beyond people born in those specific years.

Dealing first with the characteristics of the Y generation, you should clearly not think that everyone born within their timeslot will embody all their characteristics – good or bad. Their stereotypical behaviour was generally an unrealistic and irritating way for people to approach employers (I recall hearing of a person in their mid twenties throwing a strop because their bonus was merely half a million pounds); nowadays it is just plain ludicrous.

Of course, there will be some who, recession or not, continue to live out the caricature to its extreme. It seems to me that you do not have to adapt to their shortcomings, which – taken to an extreme – might stop them being seen as talent in the first place. Instead, your selection systems need to pick out the ones who will adapt to work life in your organisation.

However, and returning to the germ of truth in the caricature, there has to be some mutual adaptation. You will choose members of Generation Y who



seem the most productive people or the best investments. They will choose you if you have recognised that the centre of gravity of what you offer people has changed.

This change has also spread outside the confines of Generation Y, just as Facebook and iPods are not the monopoly of a particular generation. It is a change from which it will be hard to turn away, even in a recession, though,

of course, people might well have retraced their steps down Maslow's hierarchy. Everyone might be concerned with job security, but that does not mean they will be positively engaged if their other needs are ignored.

So how do you engage people who have become used to the new generation of employment? Essentially, you have to get alongside their needs and values and make sure you address their priorities (Woodruffe, 1999). For several years, I have used a needs triangle to try to summarise what people nowadays are looking for in work (see below). This is not perfect science but it does offer a way of ordering people's needs.

The particular Generation Y spin to this is shown in green.

The entire triangle must be considered if organisations are to attract and retain talented people – if they are to be employers of choice. What is more, people must be treated as individuals. For example, some people want to sacrifice pay for more holidays in their package; for others, it is the other way round.

Taking the three components of the triangle in turn, there are several specific factors to consider for each of them.

1. The package

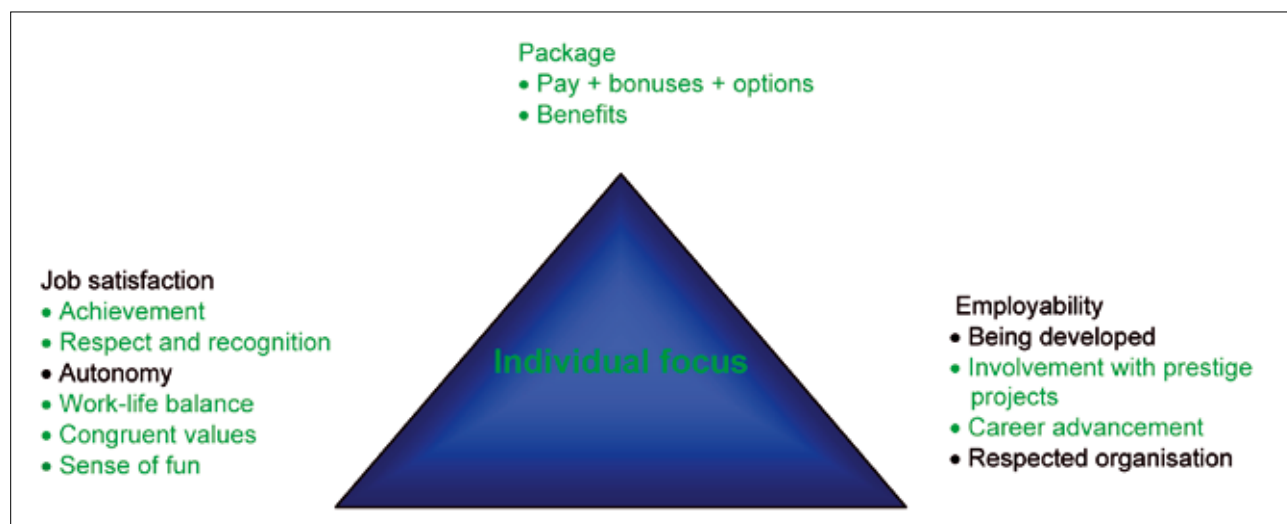
Generation Y – particularly males – are said to be quite focused on

their salary. This has been put down to their student debt burden and the need for a good salary to join the property ladder. However, although the package is a vital component of being an employer of choice, few people flock to an otherwise bad employer purely because it pays well. Generally, the package is the least sure way of retaining people for it is the inducement that is most easily matched by another employer.

2. Employability

We do not go to work just to earn today's money, but tomorrow's also. People are concerned with an income stream rather than just immediate money. There are four major factors that affect employability:

- **Being developed** People nowadays demand development. They recognise that the future is uncertain and that even a committed employer cannot guarantee a job. They want to be ready with a passport to alternative employment. Organisations must give a high priority to people's development in order to attract and retain them. Development must cover professional and managerial/leadership skills. The most powerful development comes from providing people with new experiences, particularly experiences that challenge them.



Generation Y makes up approximately 20 per cent of the workforce and is vital to our economic future



- **Involvement with prestige projects** Ambitious people, notably today's Generation Y graduates, like visibility. They relish the opportunity to tackle prestigious projects, particularly those that will give them exposure to people with power within the organisation. Assuming their contribution is a positive one, such exposure enhances employability.
- **Career advancement** Drive and motivation is part of what makes people talented. Advancement feeds their goal of securing and maintaining an income stream. Part of being an employer of choice comes from letting good people get ahead quickly.
- **Being part of a prestigious organisation** There is an advantage to the employee in working for a prestigious organisation that is at the leading edge of its sector. It has a currency on the job market

that will generate future income. The importance of this factor is clear from organisations' thirst to be among the list of Top 100 employers (eg *The Times* Top 100 Graduate Employers).

3. Job satisfaction

If people go out to work to generate the income for a style of life, they also want to be happy while doing so. Six components of job satisfaction can be separated:

- **Achievement** To be an employer of choice, you want your staff to be telling their friends about the tremendous achievements they have notched up, not how they are bored out of their brains and under-utilised. Generation Y puts great store by using its strengths.
- **Respect and recognition** People are less tolerant than in the past of status distinctions and barriers. They want to be trusted with information and

to have their hard work noticed. Members of Generation Y are also said to be intolerant of status barriers: they expect to be able to email senior people and might well extend this to those at the top of their employing organisations. Raising managers' skill levels is vital to being an employer of choice. Indeed, they need to lead rather than manage. Generation Y is also described as in particular need of regular feedback, having grown used to regular testing at school and university.

- **Autonomy** People enjoy a sense of autonomy and of being trusted to get on and deliver. They can be frustrated if they do not feel a sense of ownership over their projects or if they lack real responsibility. It was partly satisfying this sense of autonomy that made 'dot coms' so attractive.
- **Balance between work and private life** Generation Y is said

to be particularly intolerant of a lack of integration between work and private life. It is not so much a sense of balance as a blurring of the two that matters. Members expect to come to work and be logged into Facebook or MSN at the same time as doing their work. At university, they are used to mixing work (study) and their private life and would see it as restrictive to have boundaries at work. They are the 'permanently connected' generation.

- **Congruent values** People want to work in an organisation with values that are congruent with their own. By definition, values are something on which we differ. However, at any period of time there is a dominant value system with which employers would be better off being congruent than discordant. For example, nowadays, organisations strive to parade their CSR credentials and this must be for their staff to witness as much as their customers. But it is vital that this is authentic: Generation Y is vigilant to a lack of integrity. Generation Y is also said to be particularly vigilant to identity and intolerant of working towards something that does not reflect its own sense of identity.
- **A sense of fun in a good working environment** Many people prefer to work in an informal and fun atmosphere. Organisations have sought to meet this in all sorts of ways, such as by having trendy office environments, 'dress-down' days and team-building events of various sorts. A lack of teamwork/cooperation was cited as a turnover driver by 19 per cent of leavers in a survey by TalentDrain.

Individual focus

Perhaps more important than any of the above needs is the requirement to treat people as individuals. In response, organisations are doing their best to customise what is provided

Charles Woodruffe has written another article on talent management, this time focusing on Generation Z – which he describes as “the silent generation” due to their preference for interacting with technology rather than other people, which you can read on the *Training Journal* website. Go to www.trainingjournal.com/generationz.pdf to read his predictions for this new generation, born since 2002 and due to enter the workforce in around ten to 15 years' time.

to employees, ensuring as far as possible that each person's particular needs are met.

But they'll leave anyway

However, the image of Generation Y is that you can meet its members' needs as much as you like but they'll leave anyway to build their CVs. They do not have staying with their first employer as their game plan, so what is the point of bothering with them?

There are two responses to this. Firstly, *will* they all leave? The answer, surely, is of course not, especially in the current economic circumstances. If you can offer them the chance to build their employability, some will stay, some will go with the possibility of coming back and some will be lost forever.

Secondly, the ability to build employability is, in truth, probably greater for large organisations than others. Certainly, small firms would be naïve to think they can readily take on graduates who will stay to lead their organisation in the future. It is simply not in the Generation Y blueprint. Quite realistically, they will see that they need to move around and build their CVs. On the other hand, large multinationals can offer a series of employments akin to moving between organisations.

This is fortunate because opting out of employing Generation Y is only realistic for smaller organisations. Large volume recruiters like retailers, the civil service, law firms and accountants have to keep topping up their talent pipeline. Other organisations

could consider leaving their recruitment of future leaders until people have matured into the ways of work. That is not to say that they should boycott Generation Y: it is just that the relationship is likely to be an affair rather than a marriage.

Conclusions

Generation Y makes up approximately 20 per cent of the workforce and is vital to our economic future. Some of them will behave in line with their caricature. In a recession, one hopes for their sake, many will not. However, it is also the case that what people expect from work has evolved and this evolution extends beyond Generation Y.

The task of employers is to separate the employable from the unemployable but also to adapt to the changing demands of each generation in just the same way that they adapt to the changing expectations of their customers.

Finally, a survey last year by the CIPD and Penna came out with findings that run counter to the Generation Y stereotype. It found that Generation Y members were less concerned about CSR than Baby Boomers and also “far less likely to rapidly change jobs than was thought” (Allen 2008). Maybe another Generation Y quality is the ability to pick up on, and adapt rapidly to, changing economic circumstances. ■

References

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2. CIPD and Penna and (2008, September) *Gen up: How the four generations work*. CIPD website <http://www.cipd.co.uk/NR/rdonlyres/25DA52DE-F120-4579-AFE3-564C8801425D/0/genuphowfourgenerationswork.pdf>
3. Woodruffe, Charles (1999). *Winning the talent war: A strategic approach to attracting, developing and retaining the best people*. Chichester: John Wiley.

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