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Gen Y @ Work A Profile

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The changing face of the workforce

The composition of the workforce today is changing significantly. For the first time, four generations are employed side by side – The Silent Generation, Baby Boomers, Generation X and Generation Y. Each group goes to work with their own values and attitudes.

In addition, skills shortages are dominating the market place and many organizations and employers are facing challenges in identifying and hiring the best talent. Many organizations and employers struggle to fill job vacancies and candidates often receive more than one job offer. As skills shortages continue, organizations can expect more intense competition for talent.

As the first wave of Baby Boomers begins to retire, there will be a talent shortage as Generations X and Y are left to fill the positions of Baby Boomers. To meet the ongoing demand for skilled employees, employers need to turn to the next generation of young workers.

Generation Y are the young recruits of today who are the future candidate base and are the talent that

organizations need to maintain business success. They are tomorrow's Finance Managers, Marketing Executives and Project Managers.

However, this generation differs from the rest of the workforce today in many ways and to compete for these candidates now and in the future, employers and recruiters alike need to tune into this generation's unique characteristics and create programs tailored to their preferences.

At Kelly Services, we understand that the Generation Y workforce is an ever-increasingly important segment of the labor force and the future of the work world. This paper is developed to help organizations and HR practitioners gain an understanding of members of Generation Y or "Gen Y" at work. Specifically, this paper explores this next generation of employees at work in comparison with the other generations as well as the attraction and retention strategies and tactics that can be undertaken by organizations to engage and motivate a high-performance Gen Y workforce.

Four generations at work

	Silent Generation	Baby Boomers	Generation X	Generation Y
Who they are	<ul style="list-style-type: none"> Born between 1925-1945 	<ul style="list-style-type: none"> Born between 1946-1964 	<ul style="list-style-type: none"> Born between 1965-1977 	<ul style="list-style-type: none"> Born between 1978-1995
Tagline(s)	<ul style="list-style-type: none"> "When in command, take charge. When in doubt, do what's right." 	<ul style="list-style-type: none"> "Live to work" "Willing to go the extra mile" for an employer 	<ul style="list-style-type: none"> "Work to live" "Original latchkey kids" "Vanguard of the free-agent workforce" 	<ul style="list-style-type: none"> "Like Xers on steroids"
Values	<ul style="list-style-type: none"> Work itself and the people they work with. Command-and-control mindset 	<ul style="list-style-type: none"> Respect, empowerment, challenge and growth 	<ul style="list-style-type: none"> Work/life balance; family Individualism; entrepreneurial Technology; creativity Diversity and transparency 	<ul style="list-style-type: none"> Immediate feedback and payoff Hard work pays off. Technology; creativity
Preferences	<ul style="list-style-type: none"> To work with strong leaders with proven track records 	<ul style="list-style-type: none"> Work environment conducive to results-orientation Job stability and security 	<ul style="list-style-type: none"> Demands immediate rewards for contributions Flexibility, money and portable benefits, harmonious work environments and fulfillment Work environment conducive to relationship building Independent work vs. teams, although comfortable in groups 	<ul style="list-style-type: none"> High expectations of personal and financial success Seek challenging, meaningful work that impacts their world Do not like being treated as the new kid on the block
Relationship to Employer	<ul style="list-style-type: none"> Willing to learn new skills to be more effective in their current job 	<ul style="list-style-type: none"> "Include them in decision-making, give clear goals and responsibilities and then get out of their way and let them get the job done" 	<ul style="list-style-type: none"> Always looking for "bigger/better deal" Less loyalty to an employer; not intimidated by authority More willing to make lateral moves to add to their skill sets More self-reliant and more self-directed: at home in an uncertain market 	<ul style="list-style-type: none"> Most high-maintenance generation to ever enter the work force Little loyalty to an employer; not intimidated by authority

Source: Bruce Tulgan; Rainmaker Thinking

Understanding Gen Y at work

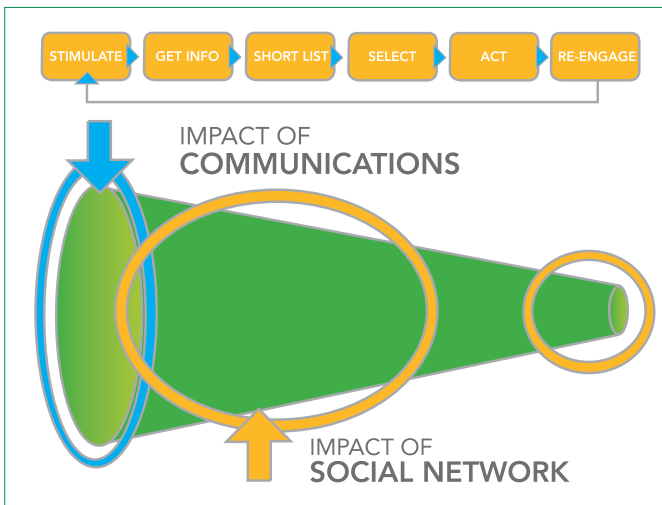
One of the most distinctive features of Gen Y is that this is the most technically literate—technologically savvy—generation. Having been immersed in technology and the digital world from an early age, Gen Y is continually wired, plugged in and has finessed multi-tasking to the nth degree. Connected 24/7, the lines between work and private lives are beginning to be obscured with this generation.

In addition, research has shown that members of Gen Y are changing purchase decision making and action in significant ways. In the old purchase model, which resembles a funnel in shape, marketing efforts reached out to a large number of consumers to create awareness but only a smaller number convert in the end.

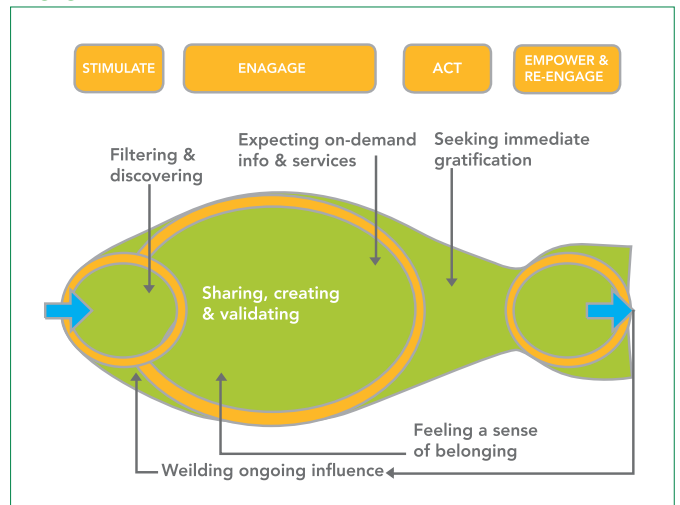
However, the model becomes an engagement model as Gen Y tend to turn to their social network for help to make a decision when they become aware of a new product or service and this create an amplifying effect on the process. When they are satisfied at the end of a transaction, they share their experiences with members in their social network so there is another amplifying effect at the end of the process. Therefore, the model resembles the shape of a fish.

As they are always connected, learn quickly and engage with their social network, Gen Y read and process information somewhat differently, which ultimately will also translate into a different perception towards work, different work ethic and different working relationships with the other generations.

Traditional "funnel" model



Engagement "fish" model



Source: Resource Interactive, Decoding the Digital Millennials.

a) Perception Towards Work

Gen Y, unlike the Baby Boomers and Gen X, expect their work to accommodate their personal life, not vice versa. They treasure family and personal time. More notably, they prefer meaningful work that is both challenging and fulfilling. As Gen Y work to live and are lifestyle-centered, this generation views work, specifically the employee-employer relationship, as transactional. With technology and networking fueling their demand for immediacy, Gen Y are looking for short-term payoffs at work, including immediate feedback, rewards and praise for a job well done. Gen Y are extremely comfortable with both speed and change and love to constantly be challenged. They seek authenticity and meaning in their work; they strive to produce something worthwhile and to make a difference. Gen Y also desire a sense of community at work; teamwork and collaboration come naturally to them. Gen Y value control over their time and a flexible work environment that allows for work-life balance. Workplace flexibility not only means “when” but “where”.

In contrast, born just after the end of World War II, Baby Boomers began the workaholic trend. They value hard work as the way to success. Hence, their lives revolve around their work.

Like the Baby Boomer generation, Gen X are also a hardworking group. However, Gen X do not work hard to climb up the corporate ladder; they work hard so that they can have more personal time. They are the original latchkey kids and do not want the same to happen to their kids. They prefer to balance their work and life responsibilities.

In summary:

- Baby Boomers just want to work.
- Gen X want flexibility in work.
- Gen Y want flexibility and meaning in work.

b) Work Ethic

Gen Y grew up in a technologically stimulating environment, it is not surprising that they prefer work to be challenging and varied. They are also a hardworking bunch. However, it is only when work is meaningful to them. They do not work just for the sake of it. Furthermore, technology has enabled work to be done



anywhere and anytime. Email and Personal Digital Assistant (PDA) are two aspects of technology that have created such convenience. When at it, they value getting the job done well and efficiently.

Baby Boomers, on the other hand, are a very ambitious and optimistic group. Their lives evolve around work and they thrive on the perpetual work day. They are willing to log long hours and go the extra mile for the employer. More importantly, they are driven by their desire to build an outstanding career that gives them job stability and security that they treasure.

Gen X are a practical group. They seldom see their parents who are mostly hard at work. To prevent history from repeating itself, they prefer to get the work done fast so that they can spend more time with their kids. They are independent and hardworking, and demand immediate reward for their effort. They are also always looking for the better deal.

In summary:

- Baby Boomers are hardworking and are willing to go the extra mile.
- Gen X are hardworking and will look for the best deal around.
- Gen Y are hardworking but only work when the work is meaningful.

c) Work Environment and Working Relationships

The positive reinforcements that Gen Y received at school and at home create a need for them to have the same assurance in the work place. Thus, to achieve such, building meaningful relationships in the workplace is important to them. Other than work, they also like to make friends. Embracing the power of computers and wireless technology, neither the traditional 9 am to 5 pm working hours nor being bound to an office location carry meaning for Gen Y; they simply don't believe that all work needs to be performed in the office. More than any other generation, Gen Y place a high ranking on interpersonal relationships at work and the vast majority want co-workers "who make work fun".

The Baby Boomers are optimistic and believe that with hard work, anything is possible. Coupled with the fact that there was a huge number of them who entered the workforce at the same time, it created intense peer competition. To get ahead and to demonstrate their loyalty to the company, they worked long hours. Thus work takes center stage; the work place is like their second home.

Gen X are very practical about their needs. While they are largely independent workers, they enjoy working in a harmonious environment with opportunities to build relationships. They treasure family and personal time; they will be at the work place at 9.00am and will leave the office at 5.00pm to pursue their own interests.

In summary:

- The work place is like a second home to the Baby Boomers.
- The work place is strictly where Gen X will be from 9.00am to 5.00pm.
- The work place is not strictly for work, but also a place for Gen Y to build meaningful relationships.



Innovative ideas for attracting and recruiting Gen Y

Gen Y present opportunities for employers and HR practitioners who are prepared and willing to invest in attracting, nurturing and retaining them as they are the future pool of leaders and talent.

Organizations and employers that successfully project a deep understanding of Gen Y “hot buttons”, through “out-of-the box” recruiting and retention strategies as well as HR programs and policies, will stand the greatest chance of seeding loyalty with this segment of the labor force and gaining a competitive edge.

Having grown up in a media saturated world, members of Gen Y are naturally wary of sales pitches. Overt marketing techniques and communications that are less than transparent will quickly be called out by this generation. Given that the Internet is the hub of their media activity, any plan aimed at recruiting or marketing to Gen Y must include a robust on-line strategy.

To win the hearts and minds of Gen Y candidates now and in the future, organizations and employers need to tune into this generation’s unique characteristics and create a talent attraction program tailored to their preferences. Here are some ideas from our experience to attract this demographic group.



1) Train hiring members in your organization who interview candidates

Gen Y candidates are more likely to choose employment in your organization if they have a positive experience interacting with your organization and feel that your organization is aligned with their value system.

2) Nominate role models in your organization

This includes creating branding around your leaders and senior leadership team members and encouraging them to participate in different forums to attract Gen Y candidates who see them as role models. In addition, utilize in-house resources such as current employees as “ambassadors” and build a knowledge base of understanding of who your organization is.

3) Increase the number of Gen Y touch points with your organization

Consider developing dynamic online recruiting strategies that feature instant messaging programs, viral email marketing campaigns and Internet advertising. But beware: this generation grew up inundated with advertising and can spot a marketing scheme a mile away. Instead, they seek a genuine and honest approach and place trust in the voice of their own generation.

Well designed programs in the organization such as internships, contract to permanent hire options, social networking sites and hosting group meetings in your organization gives potential Gen Y talent an opportunity to gain insight into your organization’s culture and work environment.

4) Create a performance based culture

Communicating performance based culture policies at different stages of the employee life cycle can enhance the chances of attraction because Gen Y employees have high aspirations and expect faster growth opportunities in an organization. This could include strong compensation plans, pay for performance, non-monetary rewards and recognition, special leaves and customized leadership development or fast-track programs.

5) Promote the branding of your organization

Providing job flexibility, challenging work content, open culture, informal work environment, entrepreneurship opportunities and work-life balance will help to attract Gen Y talent. Advertisements and news from highly respected organizations around the world are visible to Gen Y and they articulate the organization’s unique employment value proposition to increase the chances of attracting Gen Y talent.

6) Implement an effective employee referral program

A good employee referral program can attract Gen Y candidates as satisfied Gen Y employees in your organization can help to reach out and attract more talent with similar caliber. Gen Y place a heavy emphasis on peer connections and influence; amongst their most trusted endorsers are each other. Word of mouth is key.



Creating a sense of belonging for Gen Y

When Gen Y made their initial foray in the workforce, employers loved their energy, drive and skills which put them in high demand. However as things progressed, managers realized that they are having a difficult time understanding how to motivate and retain them in the work environment. Retention is becoming a greater challenge than recruiting as employers watch Gen Y employees move out of their organization faster than they move up. From experience, here are suggestions to retain Gen Y employees.

1) Design a comprehensive orientation or on-boarding program

This is important as it helps to make Gen Y employees feel important and create impact from their first day at work. Attrition is one of the concerns of organizations and employers today and one group that is triggering this trend is Gen Y employees. They will tend to lose interest and switch off their minds if they feel that the organization does not live up to its reputation or does not pay attention to them.

2) Offer more responsibilities

Gen Y employees look forward to increased responsibility and expect faster growth in an organization. They do not wait too long for an opportunity and will choose to move out if they do not see their manager offering them challenging assignments proactively. As they look forward to exploring a variety of different tasks to quench their thirst for learning and growth, assigning new and challenging responsibilities and providing the appropriate training and development programs to Gen Y employees will help in retention.

3) Give more ownership

Provide them with a greater sense of ownership on the work they are performing and challenge them. Gen Y yearn for challenging goals with deadlines so that they can build ownership of tasks.



4) Provide flexibility at work

Money is important to Gen Y but maintaining work-life balance is also equally important. Employers should look at providing flexibility both in terms of working hours and trust them to work remotely from home.

5) Communicate regularly and find out what they want

Employers should talk to Gen Y employees openly and provide honest feedback on their work performance and career development.

6) Have lesser performance review cycles and regular feedback sessions

Gen Y would not like to wait for a long time to hear feedback from their managers. Regular feedback sessions and lesser performance review cycles supported by mentoring or coaching keeps Gen Y employees motivated at work.

7) Build relationships around people

Gen Y employees tend to be more loyal to teams than organizations. Therefore, it is crucial to create opportunities for Gen Y to work in teams and organize occasions for them to build relationships with colleagues.



8) Give instant recognition

Sincere appreciation with a 'thank you' card, nomination for an award, movie tickets, meals and simple words of encouragement make Gen Y employees feel valued.

9) Provide opportunities for self and professional development

Provide opportunities for growth and development that suit individual needs and build competencies with Gen Y talent in your organization. In addition, job rotation and internal mobility programs should be supported and promoted.

Develop mentoring and reverse mentor programs; on-site leadership academies. Gen Y value education and are committed to being life-long learners.

10) Create fun work environments

Gen Y enjoy fun at work and love work to be exciting. To capture their hearts and minds, create a sports and recreation committee, cultural and family day events or outings and provide them with an opportunity in designing their own work area or space.

Future ambassadors of work

Gen Y can be one of the greatest assets of organizations if employers and HR practitioners are prepared and are willing to invest in them. Attracting and retaining this generation of talent is critical to maintain business success in the future.

Gen Y, like other generations, are shaped by the events, leaders, developments and trends of their time. Gen Y grew up in a digitally-driven world where standards and norms have changed and they operate under different perceptions and outlook than their managers and the rest of their colleagues.

As an organization's culture evolves with each generation of the workforce, organizations will find that they can benefit from a variety of viewpoints and work styles. Flexibility will be a hallmark of organizations that most successfully attract and retain talent of all ages, viewpoints and work styles. The challenge that lies ahead for employers and HR practitioners is to find a balance between a work environment that leverages the strengths of Gen Y and supports the development of a multi-generational workforce.



About Kelly Services

A People Company, Staffing the World

Kelly founded the temporary staffing industry in 1946, and has maintained a leadership position through the years based on a valuable premise: we invest in people. Today that focus benefits our customers wherever they operate around the globe - in a growing number of specialized fields. And we'll continue to meet the evolving challenges of workforce flexibility with staffing solutions tailored to your precise business needs, both locally and worldwide.

Kelly Services, Inc. (NASDAQ: KELYA, KELYB) is a world leader in human resources solutions headquartered in Troy, Michigan, offering temporary staffing services, outsourcing, vendor on-site and full-time placement to clients on a global basis. Kelly provides employment to more than 750,000 employees annually, with skills including office services, accounting, engineering, information technology, law, science, marketing, creative services, light industrial, education, and health care. Revenue in 2007 was \$5.7 billion.

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