

# Understanding Generation Y

**Learn how to become a talent friendly organisation by becoming a Gen Y friendly organisation.**

By Peter Sheahan

Sick, fully sick, wicked, grouse, rocks, going off, that's a bomb...

You probably think I am describing how you feel after too many chardonnays on a Friday night. But according to Generation Y, any of the aforementioned terms actually mean you are doing a really great job.

How do you propose to attract, manage and retain a generation when you can barely understand what they say? And how do you ever intend to *market* to them if you don't know what interests or motivates them? Having worked with more than 150,000 members of this Generation in workshops and focus groups, I can assure you it is not impossible to understand this emerging generation.

Anyone born between 1978 and 1994 is a technically a member of Generation Y, but generational analysis using this model is, of course, flawed. To think that all 4.5 million Australians, or *70 million* Americans, born in that time span will perfectly fit the Generation Y mould is like reading your horoscope in the newspaper and actually believing it! But there are distinct and real trends in this age group, and understanding why and how Gen Y came to think and act as they do can give you a vital competitive edge in attracting and retaining the best staff, and selling to this big-spending generation.

You are better to think of Gen Y not as a group that are all the same, but as an emerging mindset. And the demands and expectations of this new generation are trending *upwards*. That is, older generations are adopting the desires and wants of Gen Y. Any why not? Who doesn't want flexible working hours, respect and the opportunity to do work that makes a difference? The real distinguishing feature of Gen Y is that they are the ones screaming for it the loudest for what they want and talking with their feet when they don't get it.

For Christine Christian, CEO of Dun & Bradstreet, the secret of cutting a 14% Gen Y attrition rate down to almost zero, was acknowledging that there *truly is* a difference between generations, and making an effort understand these differences. When asked what motivated D&B to change, Christine replied "It was costing us serious money. That is enough motivation when you are a CEO."

And the same is true of people looking to sell their products. This generation that has grown up in a hyper-connected, high-speed world relate to Brands and products in a distinctly different way than those that have gone before them.

Understand this generation, engage them, and you will profit from their ambition, energy and creativity. And you might even be able to retain them and sell them your products!

## Think Macca's not Home Cooked Meal

Generation Y want instant gratification. They think 2 minute noodles aren't fast enough, believe email is snail-mail and expect you to make employment decisions on the spot.

Even more challenging, they have learnt to separate effort from reward. Like the youth of generations before, they want to be the CEO at 26, but Y are only prepared to do 35 hours a week to get there.

The old paradigm: Pay your dues, work hard and then you will be rewarded. Today, that paradigm is "reward me now and then I will work hard". It is this attitude that gives rise to the Baby Boomer mantra "Gen Y have no work ethic". But is this really a bad work ethic? If you had seen your parents right-sized and down-sized, even when they dedicated their life to the Corporation, would you be prepared to make the same sacrifices for the same empty promises?

To understand Generation Y, you need to think Macca's not Home Cooked Meal. For \$4.75 at McDonalds you can get a good meal in five minutes. Compare this with two hours of shopping, cooking and washing up for your "great" home cooked meal. Gen Y will take the good offer now, over a great one tomorrow.

Think of the implications this has for the "one day all this could be yours" promise still being espoused at orientation programs. Organisations need to create lateral career paths through systems such as inter-departmental transfers, or even international exchanges if you can. Offer diverse job portfolios and realise that if there is an absence of a clear career path, an employee's only option is out.

What about traditional yearly performance reviews? Consider giving on the spot feedback and bonuses for this new generation. Remember they prefer a small reward now, rather than the promise of a big reward later.

Next time you go to McDonald's, ask for the manager. How old are they? Not even 25. Gen Y have seen and believe that age is no barrier. I can hear you screaming: "but there is no substitute for experience!" You need to remember that age and experience are not the same thing. Many people who claim to have fifteen years' experience often only have one (repeated fifteen times). Don't let age stand in the way of opportunity. Get your Gen Y'ers working on new projects. Challenge them with difficult tasks. Allow them to build their experience early.

There is obviously a need to re-align some of Generation Y's expectations. In the words of Mark Logue, General Manager of Austral Mercantile "while I love the enthusiasm of this new generation, I do not know any 26 year old who is the CEO of a company of significant value". The key will be building enough trust with your Gen Y team member to tactfully realign such an expectation. According to Logue to do this "set clear expectations up front, define achievable targets and offer different forms of career development that do not necessarily require promotion"

Stop trying to change Generation Y, and don't condemn them because of these differences. Accept this diversity, which according to Christine Christian may

require “eating some humble pie” and learn to work with the fact that Generation Y think Macca’s, not Home Cooked Meal.

## **Think MTV not ABC**

In a recent presentation to 150 teenagers, the school Principal introducing me launched into a motivational speech of his own. Recalling an ABC documentary he had seen the night before, he passionately described the rolling hills of the Sahara desert and the resilience of the people that live there.

Meanwhile, the lady who had booked me was tearing her hair out. She tip toed over to me, apologising profusely for her boss’s outbreak, and claiming it a disaster. I calmly replied, “disaster, are you kidding? After this guy, I am going to look like a rock star.”

What Generation Y think is interesting is not what the average Baby Boomer or Gen X’er thinks is interesting.

The average Hollywood movie costs \$54 million to make, for 110 minutes of entertainment. And the average Australian teenager has had five hours of screen time a day, shared between the internet, TV and video games. You and your job have to compete with this level of stimulation every day.

What video games did you play as a kid? Compare those to what Generation Y have played and you will know why in a recent focus group, with a leading national law firm, a Gen Y graduate said “I command an army in my spare time, and they want me to photocopy.”

The dirty work still needs to get done, and the chances are it is the Gen Y’er who will be called upon to do it. How can you repackage the jobs you offer to make them more exciting? Start by not having one person do mail all week, and another on reception. Have them rotate between tasks to create variety. Consider allowing Gen Y to work together on such tasks, and you may find they work twice as fast, have twice as much fun and are twice as nice to your clients in the process.

Allocate you managers “fun budgets” - money to create a more enjoyable environment to work. Perhaps it is a better lunch room, a lick of paint or maybe it is a games room for those much needed breaks after 2 hours of customer complaints in the call centre.

Fun and work are not mutually exclusive. Continually push yourself to create multi-sensory workplaces, with stimulating jobs working for managers who know how to have fun. This is what it means to think MTV not ABC.

## **Supply and Demand says Y can**

At a deep level, we are all the same. According to recent research by Mercer, the number one priority for employees across all generations is respect. The difference with Gen Y is that they will not respect people based on position, the size of their office (or ego) or the graying of their hair. Gen Y respects those who validate them for who they are now, and who they want to be.

Perhaps this is not too different from other Generations, either, but with more people leaving the Australian workforce than entering it in 2008, Gen Y can confidently move from job to job looking for this level of respect.

Meet the needs of Generation Y, and you will meet the needs of talented people across all generations. In a highly competitive market, there is nothing more important than being able to attract, manage and engage the most talented people.

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