

Understanding Generation Y

Learn how to become a talent-friendly organization by becoming a Gen Y-friendly organization.

By Peter Sheahan

Sick, fully sick, wicked, grouse, rocks, going off, that's a bomb. I know you think I am describing how you feel after too many chardonnays on a Friday night, but according to Generation Y that means 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? 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 this model is flawed. To think that all 70 million Americans born in that time span will perfectly fit the Generation Y mold is like reading your horoscope in the newspaper and actually believing it.

You are better to think of Gen Y not as a group of people who 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 D&B (Dun & Bradstreet), the secret to turning a 14% Gen Y attrition rate into 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're a CEO."

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

Think McDonald's, not Home Cooked Meal

Generation Y wants 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 learned to separate effort from reward. Like the youth of generations before, they want to be the CEO at 26, but Y is only prepared to do 40 hours a week to get there.

The old paradigm was "Pay your dues, work hard and then you will be rewarded." Now it is "Reward me now and then I will work hard." It is this attitude that gives rise to the Baby Boomer mantra "they have no work ethic." Is this really a bad work ethic? If you had seen your parents right-sized and downsized, even when they dedicated their lives 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 McDonald's, not Home Cooked Meal. For \$4.99 at McDonalds you can get a decent meal in less than 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. Instead, create lateral career paths through systems such as inter-departmental transfers, or even international exchanges if you can. Offer diverse job portfolios and realize 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? Sometimes not even 25. Gen Y has seen and believes that age is no barrier. I can hear you screaming, "But there is no substitute for experience!" However, 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 you must "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 thinks McDonald's, not Home Cooked Meal.

Think MTV not ABC

Several years ago, before I was to give a 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 tiptoed over to me, apologizing profusely for her boss's outbreak, and claiming it a disaster. I calmly replied, "Disaster, are you kidding? After this guy, I'm going to look like a rock star."

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

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? Try this: instead of having one person do mail all week and another person 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 to your managers “fun budgets” – money to create a more enjoyable environment in which to work. Perhaps it is a better lunchroom, a splash of colorful paint or maybe a game room for those much-needed breaks after 2 hours of customer complaints in the call center.

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. And, 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.

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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Founder and CEO of ChangeLabs, Peter Sheahan is an internationally recognized thought leader and author of six books, including international bestsellers *Generation Y: Thriving (and Surviving) with Generation Y at Work* and *FLIP: How to Turn Everything You Know on Its Head– and Succeed Beyond Your Wildest Imaginings*. Visit www.petersheahan.com for more information.