

GENERATION Y

Challenge and Opportunity

Many employers appear quite frustrated by the newest entrants to the labour force. These workers seem profoundly different and, it has been said, they have a weak work ethic, lack commitment, perceive themselves to possess knowledge beyond their experience, and harbour unreasonable expectations regarding position, income and career advancement. In many ways, they seem to exhibit a “*Maturity Gap*”.

Who are these new workers and what do they really want? Are employers doomed to be frustrated by them forever or does this situation present an opportunity for establishing a strategic advantage?

Who Is Generation Y?

Demographics provide the first insight. The Baby Boom Generation was born between 1947 and 1966. Generation Y, born between 1980 and 1995, are children of the Baby Boomers. (Boom, Bust & Echo, David Foot) As with every generation, Generation Y manifests a number of common characteristics, some which are unique to this cohort.

Before this profile is described, **a word of caution!** There are grave risks in developing any profile. *Generalizing* from the individual or *individualizing* from the general is sloppy thinking and most often is outright wrong. A profile is useful to the extent that it portrays a cohort at the extreme, solely as a reflection point for robust analysis and deliberation.

What Are Generation Y’s Life Experiences?

As children of the Baby Boomers, Generation Y has received unprecedented attention, protection and programming. They have been inundated with material things from birth, particularly electronic and digital goods. Their parents have been their strongest advocates and want to be their best friends. They have been sheltered from failure.

- ◆ First digital generation
- ◆ Cellphone, iPod, laptop computer, and electronic games are givens
- ◆ Not allowed to play outside, for fear of being kidnapped
- ◆ All activities are programmed and scheduled
- ◆ Parents are chauffeurs
- ◆ Parents are “best friends”
- ◆ Never told “no”
- ◆ School system altered to eliminate “failure” to avoid scarring the child
- ◆ Parent (usually mom) stands in Registration line with child at college



- ◆ Parent (usually mom) complains to the school about marks
- ◆ Parent challenges employer regarding Performance Review
- ◆ Parent confronts employer regarding dismissal situation

What Are The Values And Behaviours Of Generation Y?

- ◆ Lack a concept of fear
- ◆ Lack a concept of failure
- ◆ Ethically incomplete
- ◆ Assume invincibility and superior performance
- ◆ Used to being involved in “adult decision making”
- ◆ Short attention span
- ◆ Believe they are proficient at multi-tasking
- ◆ Digital communication and engagement
- ◆ Sense of entitlement
- ◆ Focused on their careers
- ◆ Want more than merely “a job”
- ◆ Want the organization to be connected to the community and make a contribution
- ◆ Question everything
- ◆ Want constant feedback
- ◆ Live with parents indefinitely

Generation Y In The Workplace

Generation Y enters the workplace better educated than previous generations. They arrive expecting to be treated as unique individuals with a great deal to offer to the organization. They come with a belief that they know more than they actually do about most things, including the world of work. They are supremely confident in their abilities.

Generation Y employees may not be patient in sitting through a “traditional orientation” to the company and the job. Their preference is to have information presented in a digital, self-paced, interactive format – an approach with which they are quite familiar.

They are looking for immediate *connections* – between themselves and the people around them; between their values and those of the organization; between their immediate needs and the “offer” in joining the organization. Generation Y also expect their organization to provide them with opportunities to participate in activities that will contribute to *Corporate Social Responsibility and Sustainability*, as well as to their own personal development.



From their first day, Generation Y is ready and willing to start questioning everything. “Why do you do that?” “Why do you do it that way?” “Why can’t I try it my way?” The probing is insistent and unrelenting. Remember, they have immense confidence in their abilities and personal failure is unknown. The manner in which employers manage this situation will determine the commitment and longevity of these new employees.

Engagement And Retention

Retention of Generation Y employees already is and will continue to be a significant challenge for employers. This also varies by sector, organization and region. If Generation Y employees don’t like what they are told or the working environment falls short of their expectations, they will not hesitate to quit, in the belief that there are better opportunities elsewhere. Their parents’ willingness to allow them reside with them indefinitely, further exasperates this situation.

In order to retain Generation Y employees, astute organizations will be deliberate and methodical in evolving and supporting an environment that encourages open communication, provides experiential opportunities and engages employees in identifying, analyzing and solving problems, and exploiting opportunities. Coaching and mentoring are needed to reinforce this process of engagement, in order to capture the enthusiasm and commitment of Generation Y employees, and solidify retention. (See Article: [THE GROWING SHORTAGE](http://www.diamondmanagementinstitute.com) at www.diamondmanagementinstitute.com) It also should be noted that Generation Y’s *loyalty* tends to be to the individual, not to the organization.

More than ever before, it is necessary for managers to “*know*” their employees – their likes, dislikes, values, goals, behaviours -- and create situations where “*the needs of the individual are aligned with the needs of the organization*”, in order to create an emotional connection between the employee and their work, and the organization.

Concurrent with this approach, managers will need to nurture higher personal standards and greater maturity in Generation Y employees. They will need to help “*undo*” some of the characteristics of Generation Y. This delicate process is situational and calls for sensitivity and dexterity on the manager’s part. It demands a practised art.

It is ironic that Boomer Employers will need to re-mould Generation Y – the children shaped by Boomer Parents.

The Opportunity Provided By Generation Y

Generation Y definitely will frustrate many employers who will experience an ongoing cycle of costly recruitment, with corresponding weak retention. The time and resources expended in this “churning of employees” will come to be seen as yet another cost of doing business, even while performance, quality and productivity are eroded.

This ultimately will prove to be an unsustainable structure for managing a business, unless the organization can develop cost-effective and innovative approaches to recruitment, orientation and training for a low-retention workforce.



Another considered approach will see organizations evolving their culture to embrace and accommodate the aspirations of Generation Y and other employees. Responsibility and authority will become more distributed. By doing so, these organizations will be able to harness the creativity and energy of Generation Y to its own benefit. Employers who overcome these challenges will continue to search out innovative solutions to strengthen the connection with their Generation Y employees. They will apply as much rigour and resources to engaging their workforce on a daily basis, as they currently apply to their budgeting processes, for instance.

It has been noted that Generation Y employees arrive at the workplace asking many questions and challenging basic assumptions. Managed properly, these new workers have the potential to unlock enormous gains for the organization. By exploiting Generation Y's propensities, both the individual and the organization can realize significant and meaningful success. The Toyota Motor Company provides vital insight.

“The auto maker’s success is based on the Toyota Way, an intense focus on quality and continuous improvement and a dedication to questioning the company’s own assumptions people who think deeply about problems, are challenging basic assumptions, are always looking very creatively for solutions, are really trying to understand deeply what the problem is.”

(The Toyota Way, Jeffrey Liker)

Organizations should not be viewed as static entities. They need to be perceived as dynamic and evolutionary, where opportunities for continuous improvement, work enhancement and productivity improvements abound. The Toyota example exemplifies an attitude and approach that “institutionalizes” these concepts.

Generation Y manifest many characteristics that could support and extend the re-organization of work and the positive outcomes of capitalism. In particular, exploring the potential for *Corporate Social Responsibility* and *Sustainability* are two areas that resonant strongly with these new workers. The choice is to capture this opportunity or lose to the competition. (See Article: SUSTAINABILITY at www.diamondmanagementinstitute.com)

These are strategic considerations that require thoughtful planning, organizing, training, and implementation. They go to the very heart of every organization. They are the new **leadership challenge**. Managers need to develop enhanced processes, modify their style and delegate in new ways in order to “connect” with the Generation Y workforce.

In pursuing this strategic approach, organizations and managers may be embarking on an unfamiliar journey. Practitioners of *Culture Change* and *Leadership Development* can provide critical assistance in helping to create a work environment that satisfies the values and characteristics of Generation Y employees and challenges their aspirations.

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