

GEN Y AND THE WORLD OF WORK

Generation Y (Gen Y), defined as those born between 1983 and 1995, represent 18% of the UK population. Hays have spoken with about 1,000 of them about their attitudes and expectations regarding the world of work. In the fourth of five themes, this report specifically examines the way in which an employer can retain Gen Y employees.



RETAIN

POINT OF VIEW
REPORT

Retaining your next generation of leaders

Jobs for life are very hard to come by. Gen Y is more accepting of this new working reality than previous generations. More than one quarter of them (26%) expects to have at least seven different employers throughout the course of their careers. This means that retaining your talented Gen Y employees is of fundamental importance to current and future business success. To do that, organisations need to use their understanding of Gen Y's unique set of expectations about the world of work and tailor their employee value propositions where appropriate to address these.

The top factor that influences job satisfaction for Gen Y respondents is feeling valued and appreciated, with 50 per cent of respondents saying it is most important. This was followed by varied and interesting work (42 per cent); financial reward (40 per cent); feeling like you have made a positive contribution (35 per cent) and achievement (29 per cent). Also interesting was the fact that learning and development opportunities were ranked by more than one quarter of the Gen Y respondents (26 per cent) as one of the top six factors influencing their job satisfaction.

Gen Y has a sharp focus on career development and acquiring knowledge, with a staggering 97 per cent of them being prepared to undertake professional study throughout their careers. For cash-strapped organisations, paying for training and development for employees not long out of formal education might seem like a luxury that they cannot afford. But for Gen Y – who may be experiencing the first recession of their careers – maintaining their competitive

edge as employees is essential. What's more, this group of individuals will be the leaders of the future, so it pays to use a smart approach to developing them for the longer term. Aside from providing your own learning and development curriculum, this could mean taking a more innovative approach to training, such as seeking professional accreditation and qualifications for what you offer, for example.

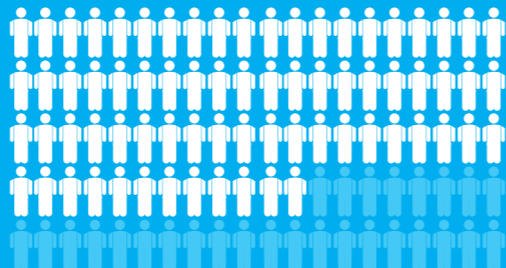
As another example of an innovation in this area, the Open University Business School has developed specific internal qualifications for companies that also offer cross-accreditation that may be counted towards other courses. Smaller scale options are available too from

other providers, particularly for small to medium-sized enterprises, which may not have sufficient budgets to provide a broad learning and development curriculum. Online learning – such as podcasts, free courses on iTunes U, eBooks and eJournals – provide an alternative, cost-effective way of training employees that does not take up too much of their time. Professional bodies will also provide training relatively cost effectively, as well as peer-to-peer networking.

It's impossible to stop everyone from leaving, even with the most sophisticated training and development programmes in place. Almost three quarters (72 per cent) of Hays' sample of Gen Y workers, expects to have four or more different

72%

EXPECT TO CHANGE THEIR JOBS MORE THAN 3 TIMES IN THEIR CAREER



employers during their careers. One tenth anticipates moving jobs more than ten times. Sometimes, offering Gen Y employees learning and development will not provide them with enough job satisfaction. There are some very simple solutions. Consider for example how you can offer opportunities for Gen Y's to change jobs within your organisation, whether you are a corporation or a small to medium-sized enterprise. 40 per cent of respondents are interested in working abroad, and 38 per cent want international work or travel and projects. Is this something that your organisation could offer, even on a limited scale? Can you work with other not-for-profit organisations, customers or suppliers to provide development opportunities such as short-term secondments for staff?

THE IMPORTANCE OF A TRANSPARENT SUCCESSION PLAN

Having a transparent succession planning process can also provide a way not just to retain talented Gen Y employees, but also to have your talent pipeline in place for future leaders. And you don't need a large HR function to do this. Recognising that not everyone is a leader in the making is also realistic. Identifying those people who may be high performing, (but are less likely to grow into significantly larger roles) and ensuring they have tailored development plans to help them continue to perform successfully, is essential. Developing a talent pipeline will also enable the (usually) older generations that manage the organisation become more aware of their impact on the 18 to 30 year olds in the workplace. This is critical in light of the approach to job satisfaction that this segment of the workforce has, which differs from other age groups.

In the main, Gen Y wants to feel valued and appreciated, and that they are making a difference. For HR departments and managers this could mean including them in business decisions in some way, or showing them the impact they are having on the business. Equally, ensuring

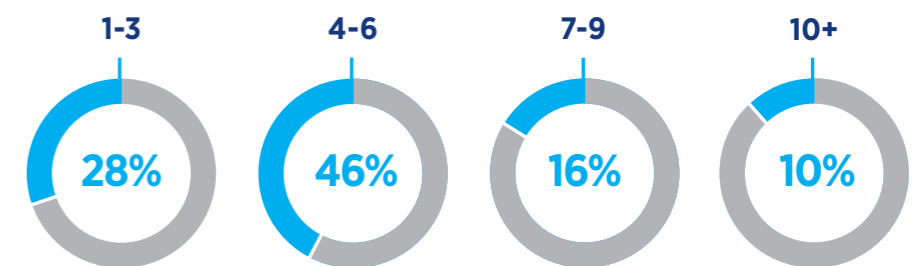
you are addressing non-financial reward and recognition effectively will be a really important step. This also ties in with Gen Y's need to feel that they have made a positive contribution. The same thing that attracted them in the first place remains fundamental to their job satisfaction. When you are developing your employee value proposition consider how you will meet these expectations. You might even be able to confound Gen Y's expectation for multiple employers by giving them all the benefits of moving jobs and gaining personal development while staying in your company. By building a culture that supports personal development, understanding what attracts Gen Y to a company, making your offering competitive and recognising the importance of a happy employee and long term retention strategies, you can retain the best talent.

We've looked at how to retain Gen Y talent in general. But by digging deeper into Gen Y's career aspirations we can learn even more about how to get the best from this remarkable generation. Keep an eye out for our reports on Gen Y and the aspects of Entrepreneurship and Leadership.

EMPOWERING THE GEN Y WORKFORCE

DIY retailer B&Q helped recruit a Youth Board to advise the Ellen MacArthur Foundation as part of its efforts to examine circular economies, which aim to be positive and restorative to society.

NUMBER OF EMPLOYERS EXPECTED IN CAREER:



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worldwide

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