



GENERATION Y...

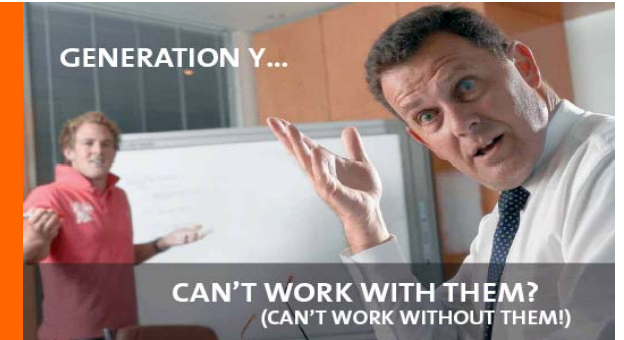
Can't Work With Them?

Can't Work Without Them!

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Why Drake Conducted This Research

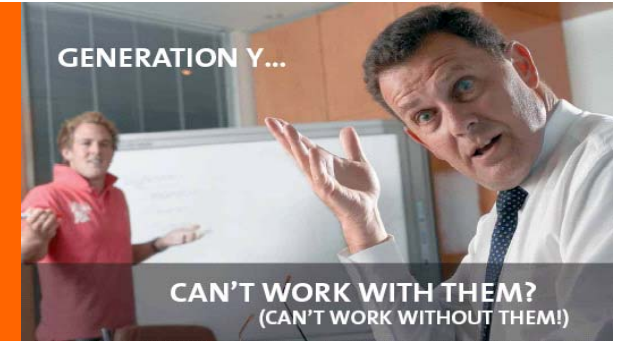


- **There has been a lot written and observed about Gen Y, but much of it is mere opinion.**
- **Drake have undertaken it's own primary research consisting of:**
 - **In-depth focus groups, interviewing 32 Gen Y's**
 - **An employee survey to over 3500 New Zealanders and Australians across all generations.**
- **By understanding what drives Gen Y, organisations & managers can develop strategies to attract, lead, develop, and retain their younger staff.**

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New Zealand's Generations - Defining a Generation



Description	Birth	Age	(%)
Builders	Before 1946	61+	15%
Baby Boomers	1946–1964	42–60	23%
Generation X	1965–1979	27–41	23%
Generation Y	1980 -1994	12 -26	21%
Generation Z	1995 -2009	Under 12	18%

Source: Statistics NZ 2001 Census

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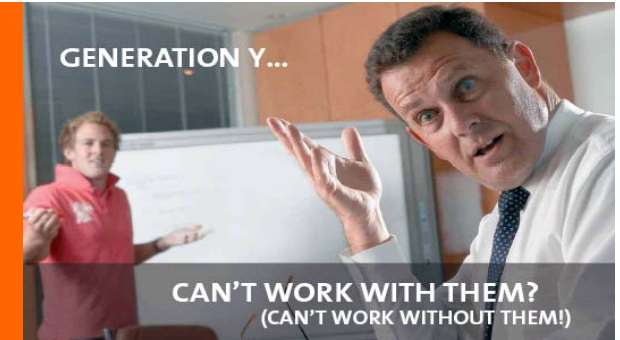
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The 4 Big Shifts:



- **Ageing Population**
 - (Ageing Workforce)
- **Transitioning Generations**
 - (Succession Planning)
- **Increasing Options**
 - (Decreasing Tenure)
- **Redefined Work life**
 - (Redefined Expectations)

Advantages of Embracing Gen Y



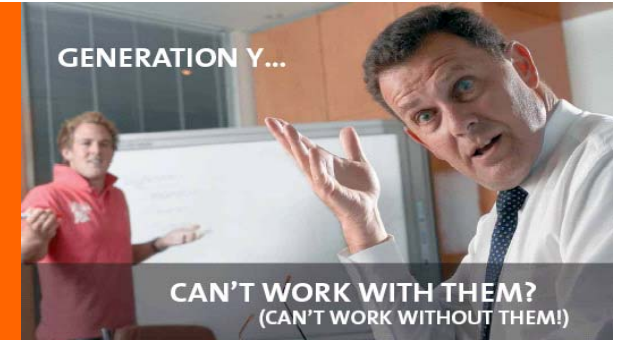
Gen Y's are:

- **Technologically Savvy**
 - they're great for product development and sales as they are passionate about technology
- **Innovative and Entrepreneurial**
 - they will challenge the way things are done. Improvement of processes, services and products are a likely outcome
- **Ambitious and Motivated**
 - they're motivated employees who want to be developed & coached
- **Quick to Learn**
 - you'll experience minimal down time with Gen Y picking up projects quickly and easily
- **Understand Gen Y Customers**
 - who better to help you with Gen Y, than Gen Y?

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Baby Boomers



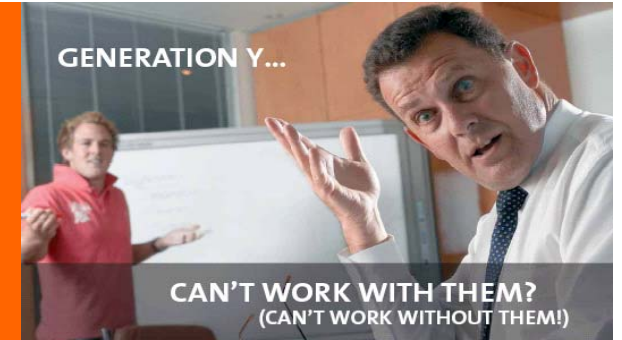
How each generation has been shaped:

- **Home :**
 - Discipline - Strict; Corporal Punishment**
 - Teachers Ex Military**
 - Generally one parent at home**
 - Limited material possessions**
- **Work:**
 - Respect for Hierarchy**
 - Promoted with tenure**
 - Verbal Skills for Communication**
- **Motivation:**
 - Security - Tough life after War**
 - Their kids to have more options than what they had**

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Generation X



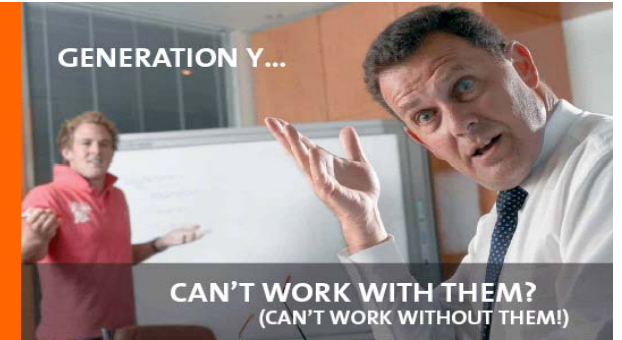
How each generation has been shaped:

- **Home :**
 - Discipline - Moderate; Intellectual Disciplining**
 - Teachers more educated**
 - Latch Key Kids**
 - 'Go Out & Play'**
- **Work:**
 - Prefer Flatter Structure**
 - Promoted due to Quality**
 - Shorthand & typewriters for Communication**
- **Motivation:**
 - Work-Life Balance**
 - Equal Employment Opportunities**
 - Resentment towards Y's**

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Generation Y



How each generation has been shaped:

- **Home :**
 - Discipline - Lenient; Legally no Physical Abuse**
 - Teaching - Student Rights**
 - Protection & Privilege**
 - Bedrooms filled with Electronic Gadgets**
- **Work:**
 - Managers have to earn Respect**
 - Expect Promotions & Seek them Out**
 - Email, AudioVisual, SMS Communication**
- **Motivation:**
 - Flexibility**
 - Truth 'Image is Nothing - Obey your Thirst'**

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Environment Influences:

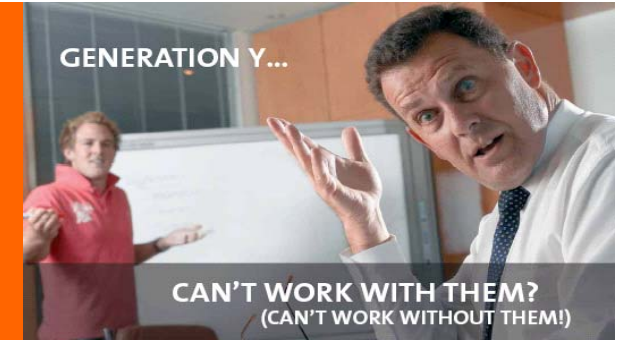


Influences	Baby Boomers	Gen X	Gen Y
Technology	TV Audio Cassette	Walkman IBM PC VCR	Internet Play Station Ipod DVD
TV Shows	Bonanza Perry Mason	MTV Melrose Place The Brady Bunch	Reality TV Big Brother Friends Simpsons
Music	Elvis The Beatles Rolling Stones	Madonna U2 Metallica	Eminem Britney Spears 50 Cent

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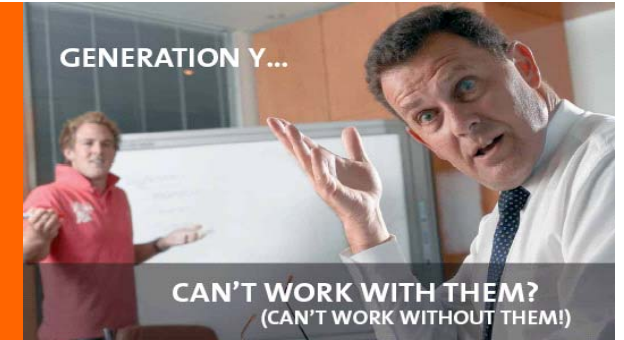
Work Attitudes:



Attitude	Baby Boomer	Gen X	Gen Y
Respect for Elders	Automatic	Is polite	Only if it's earned
Professional Respect	Tenure	Performance	Qualifications
Change	Resist It	Accept it	Want it
Leadership	Hierarchical	Cooperative	Collaborative
Training	Only if there's a problem	Is desirable	Is necessary and expected
Promotions	Tenure	Merit	It's my right

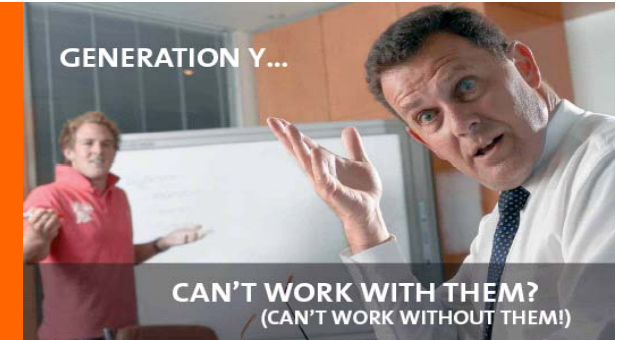
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Attracting Gen Y



- **What are Gen Y's looking for in a role:**
 - **Fun working environment**
 - **Variety in a role**
 - **Interesting / challenge projects**
 - **Career opportunities**
 - **Training and development programme**
 - **Team and social interaction**
 - **Responsibility**
 - **Leadership**

Example of Gen Y Advert



whiskas

“It’s hardworking, fun, enjoyable and rewarding.”

Richard – MasterFoods Australia New Zealand

Sales Merchandiser

- Full Time, Melbourne metro area
- \$34-40K + Car + Super

A Sales Merchandiser with MasterFoods Australia New Zealand understands the importance of optimising the presence of our leading brands WHISKAS®, ADVANCE®, PEDIGREE PAL® (to name a few).

By utilising your excellent negotiation and rapport building skills you will be taking responsibility for implementing the selling of our pre-determined merchandising strategies. You’ll be joining our specialist petcare team and increasing our in-store presence, relaying our shelves and playing an important role in building eye catching displays in petshops, produce outlets and hardware stores. Your merchandising/grocery/pet trade background will be complemented by your passion for sales, high energy levels and genuine enthusiasm. A fully maintained company vehicle will be provided.

Do you think about sales and presentation like we do? If so, get ready for an active and exciting role!

Please apply online at www.mars.com/careers quoting Reference No. AUS6009439, or send your resumé to Janice Bailey, Level 1, Bldg C, 192 Burwood Rd, Hawthorn Vic 3122 by Monday 1 December, 2003.

Masterfoods
australia new zealand

Be Master of your own destiny

www.mars.com

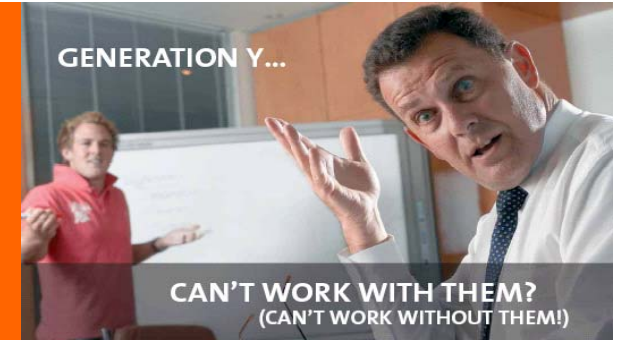
Why does this ad work?

- The brand is prominent.
- Endorsement from an employee - supporting the brand and giving insight to the culture.
- The benefits are upfront - salary, car etc.
- The wording is representative of Gen Y “taking responsibility”, “part of a team”, “playing an important role”, “active and exciting” etc.
- Ease of application - choice of online or mail.

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Selecting Gen Y

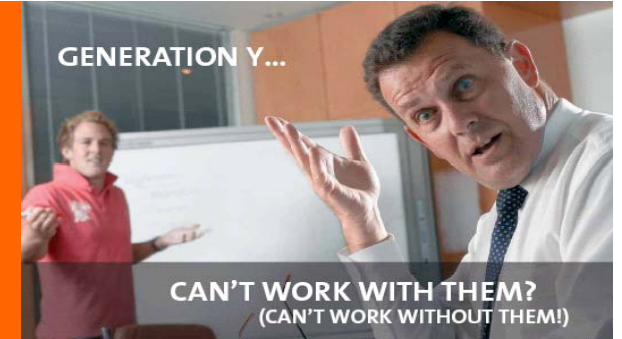


- **Gen Y's are interview savvy increasing the chance of a mis-hire**
 - **Credentials vs Capabilities**
- **Selection systems need to be:**
 - **Objective**
 - **Find the right fit for the role**
 - **Multi-faceted, including**
 - **Skills testing**
 - **Psychometrics**
 - **Behavioural Interviews**
 - **Identify motivators**
 - **Manage Gen Y expectations**

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Retention of Generation Y

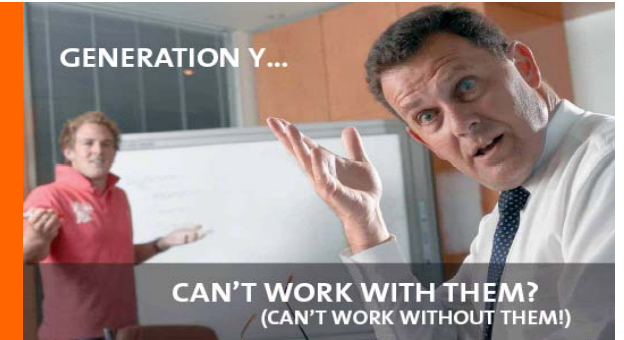


- **Turnover rates for Organisations are on the rise and will increase if strategies are not put into place.**
- **Retention strategies are different from Attraction strategies.**
- **56.5% of Gen Y's stay less than 2 years with a single employer.**
- **Return on investment is on average 18 months.**
- **Average cost of turnover ranges from 30% - 250% of annual salary. It is typically at 150%.**

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Cost of Turnover



Direct Costs

- Recruitment
- Training

Indirect Costs

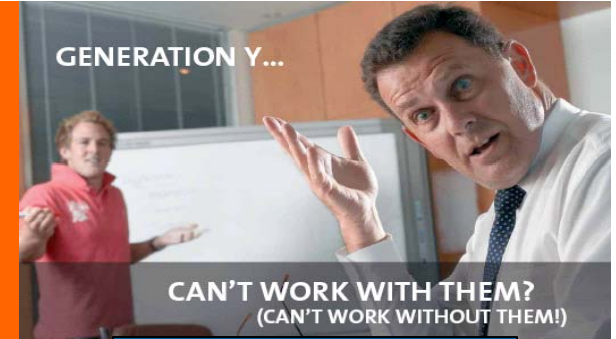
- Lost productivity
- Knowledge
- Disruption
- Negative Team Impact
- Loss of Business
- Loss of reputation



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The Retention Cycle



**Monitoring & Measures
Change Management**

Predictors of Retention
Motivators and
Demotivators

**Exit interviews and
Climate Surveys**



Implementation

Relevant motivators built
into culture and role
structures



Organisational Predictors

Motivators and
Demotivators



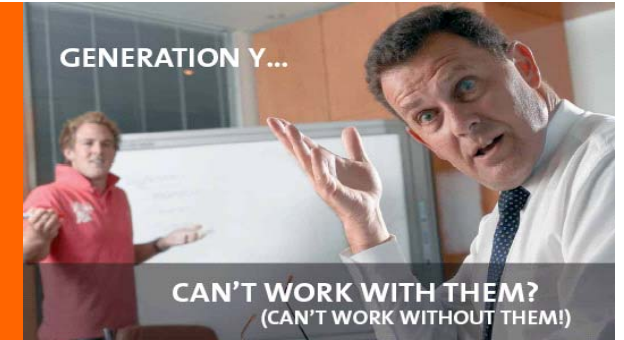
**Leadership, mentoring
and coaching**

Individual Predictors
The path to performance

**Employee Needs
Discussions**

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Key Predictors in Gen Y Retention



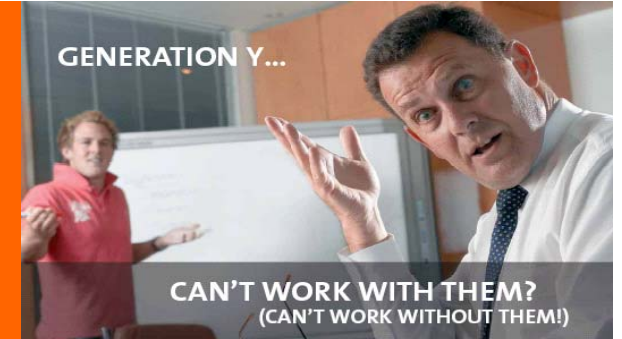
Many young people leave their job not because there is a strong reason to leave, but because there is no compelling reason to stay.

- **Professional growth & development**
- **Work-life balance**
- **Variety**
- **Social interaction**
- **Responsibility & input**
- **Reward and recognition**

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Professional Growth and Development

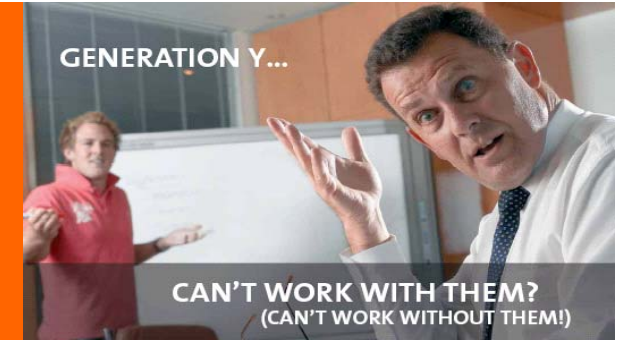


- **90% would stay longer with an employee given the right training and development**
- **86% expect to be promoted within 2 years**
- **Providing opportunities for growth may include**
 - **Formal training programmes**
 - **Individual development plans**
 - **Job enrichment**
 - **Job rotation**
 - **Mentoring**

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Work-Life Balance



“If the work gets done why does it matter how, when or where it gets done?”

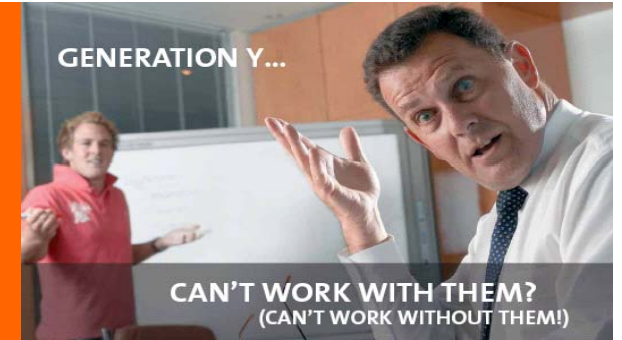
Gen Y’s demand greater access to:

- **Unpaid leave**
- **Flexible work hours**
- **Time in lieu**
- **Work from home**

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Variety



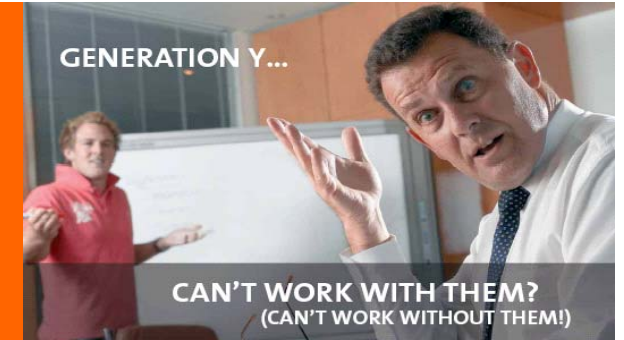
- **Gen Y's are stimulus junkies***
- **Live for variety, challenge and change**
- **Respond to job rotation and project work**

Source *Sheehan 2005

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Social Interaction



42% of Gen Y's rate relationships with peers within the top 3 reasons for getting and keeping their job

Organisations are turning to:

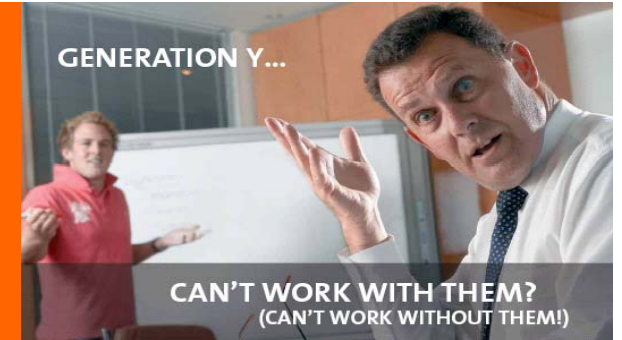
- **Social clubs**
- **Sporting teams**
- **Interpersonal type training**



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Responsibility and Input



Gen Y's have always had a voice

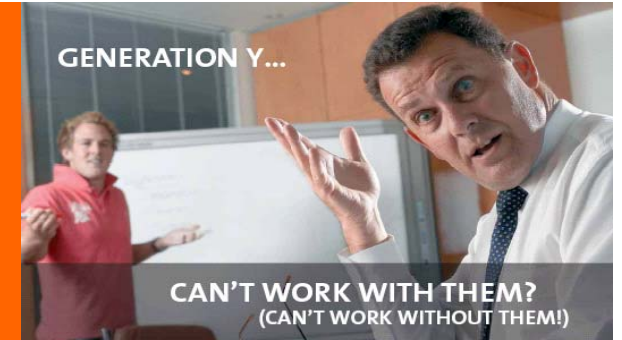
- **At home**
- **At school**

Therefore, they expect a say at work!

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Reward and Recognition



- **Money is not the strongest motivator for Gen Y**
- **Money needs to be competitive and fair**
- **Gen Y's require ongoing recognition**

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Leading and Managing Gen Y



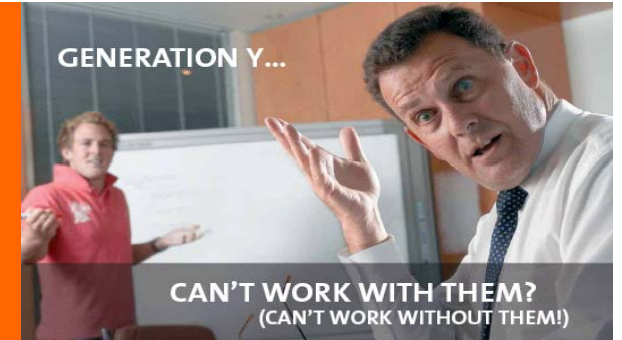
42% of Gen Y's reported poor leadership as the primary reason for leaving their previous position

- **Good technical skills don't equate to good leadership skills**
- **Develop the leaders you currently have**
- **Succession plan for strong leaders**

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Emotional Intelligence (EQ)

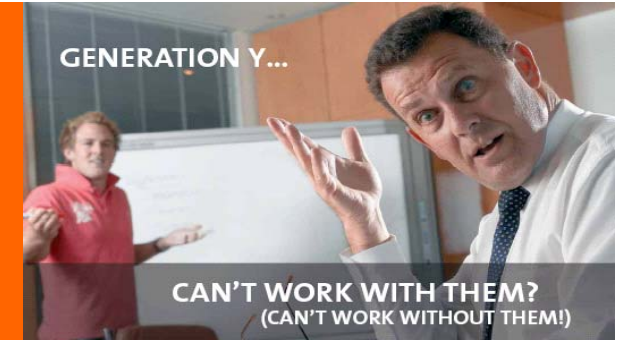


- **EQ is about perceiving, understanding, using and managing emotions**
- **Low EQ leaders repeatedly butt heads with Gen Y**
- **Need to select competent or above average EQ individuals as leaders or develop the EQ of existing leaders**

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Walking the Talk



Gen Y's recognise hypocrisy

They respond to:

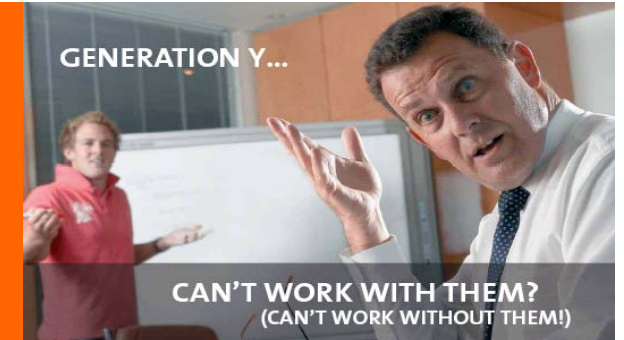
- Ethical leadership
- Genuine role models
- Accessible leaders



**Philippa Reid -
Chief Executive
EEO Trust**

Our survey found that what 97% of Gen Y's valued a leadership style that involved Empowerment, Consultation and Partnership.

Consultation & Empowerment

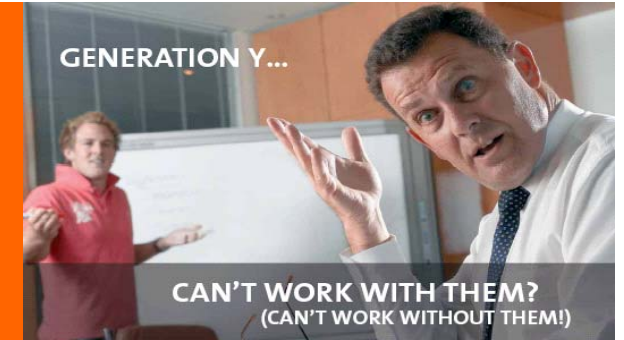


- Gen “why?”
- Brought up to question the rationale behind decisions
- Require:
 - voice in decision making
 - personal responsibility

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Recognition & Feedback



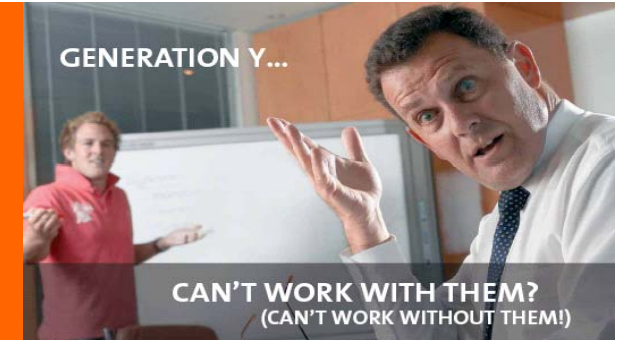
“Why should I congratulate people simply for doing their job?”

- **Because it makes Gen Y feel valued and satisfied**
 - **Adjustment for Baby Boomers and Gen X**
- **But remember: leaders also need to provide constructive feedback to Gen Y's**
 - **Public and Private**

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Managing Generational Diversity

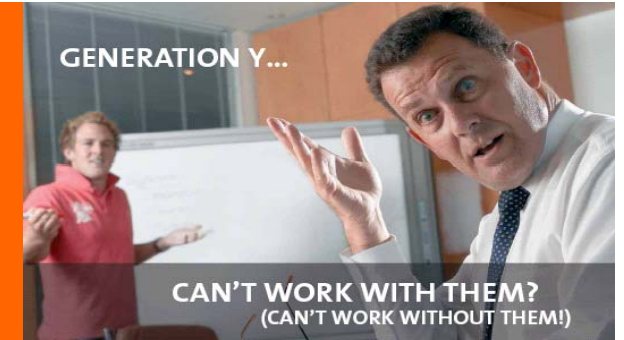


- **Different generations have different motivations**
 - Learn what they are
 - Educate your staff and build tolerance
- **Treat all employees like customers**
 - Create flexible options and tailor packages to suit all generations
- **Be very clear about what you expect from all staff**
 - Clearly define what is and what is not negotiable in your workplace
 - Identify the values your organisation considers most important and enforce them

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Questions to consider

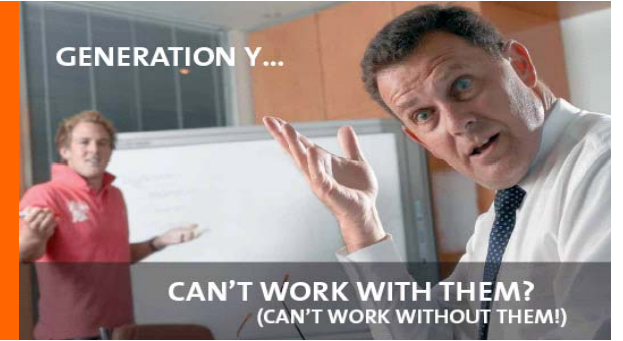


- **Is your recruitment campaign eye-catching, centrally located and easy to respond to?**
- **Is your selection system objective and comprehensive? Are your personnel trained to implement the system?**
- **Do you offer professional development, work-life balance and variety in your roles?**
- **Do you have a retention strategy involving cultural surveys, exit interviews and employee needs discussions?**
- **Do your leaders have the skills and emotional intelligence to keep your workforce motivated and productive?**

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GENERATION Y...



CAN'T WORK WITH THEM?
(CAN'T WORK WITHOUT THEM!)

Questions?

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