

Retaining Gen Y's

Understanding is the key.....

We are all affected by the "War on Talent" and across the highly competitive world of financial and professional services, the apparent difficulty in retaining "Gen Y" has been an all too common catchcry.

Major organisations across Australia spanning financial and professional service sectors dedicate a significant portion of their annual recruitment budgets to attracting the best graduate talent from top universities across Australia. However, more needs to be done to ensure retention, otherwise we are all at risk of chasing our tails. The challenge for organisations pertains to their ability to understand the key drivers behind their Gen Y staff members and embrace this through tailored retention programs.

Confident, driven, technologically savvy, the ever-elusive Gen Y is often described as a money hungry, ambitious individual that expects to reap the rewards without doing the hard yards. Is this really the case? There is no doubt that the future generation of Australia's workforce may expect more than their Gen X predecessors. That being said, the average Gen Y thrives on a challenge and is thirsty for responsibility and developmental opportunities; does this not classify them as hard-working? Additionally, whilst Gen Y's are perceived to be fast moving and opportunity driven when it comes to their career; the average tenure is approx. 2-4+ years. Furthermore, another common belief is that salary expectations of Gen Y's may seem higher than their Gen X predecessors. Perhaps this needs to be put into perspective given the current economic environment. With average Gen Y carrying hefty HECS debts, coupled with soaring housing prices and recent interest rates rises, Gen Y's are finding it tougher to live the "Aussie Dream." Expectations are geared towards being fairly compensated for their contribution in relation to all these factors. The challenge for organisations is about finding the right balance between managing these expectations and matching these with organisational objectives and programs.

The key to creating loyalty and engagement in Gen Y's is understanding and appreciating them as individuals rather than a classification of "young people." Utilising a variety of objective psychometric inventories can assist in gaining a better understanding of the motivators and values driving an individual's behaviour in a work setting and gaining valuable primary data to produce tailored programs and a more meaningful approach.

We recently were engaged to assess the values and motivators of a Gen Y group of individuals in a major Australian Banking conglomerate. Individuals were surveyed using a self-rated values and motivators assessment examining the importance of particular work aspects and the subsequent influence on behaviour. In support of the assumption that Gen Y's are hungry for knowledge, all of the individuals surveyed falling within the Gen Y cohort rated 'Self-Development' in their top three motivators and values in a work setting.



It was evident that high on the list of priorities for these Gen Y staff was the ability to acquire new skills as well as the opportunity to build a specialist skill set. A steppingstone to achieving this, is establishing an effective mentoring program. This is a strong foundation to ensure an individualised approach and opportunity for development amongst eager to learn Gen Y's.

Recent research has also revealed that effective mentoring and leadership is a strong contributor to Gen Y loyalty. Another effective approach is the opportunity to second to different departments within a business and gain exposure to a variety of leadership styles and work practices; maximising promising talent and keeping it within the business. The exposure to a variety of stakeholders, the opportunity to build and solidify relationships across the business coupled with exposure to challenging projects and courses is effective in keeping hungry minds challenged.

The second most highly rated work aspect was 'Co-Workers'. Hence it was important to the Gen Y individuals surveyed to work with others who were understanding of their needs. Conducting regular one on one or team meetings with staff coupled with team building activities is a key method in building interaction and understanding. It provides an opportunity for younger staff members to voice their opinions and form strong relationships with their mentors and team. Informally, social nights and networking events help to solidify relationships with Managers and Cohorts increasing team synergy in a relaxed environment.

Interestingly, the third most important value to the Gen Y's surveyed was 'Job Security' and the eagerness to know that the type of work they are doing will be readily available. This again relates back to self-development and the opportunity to acquire specialist and valued skills. Gen Y's exhibited the same reservations as their employers – i.e. whilst organisations are concerned about how to retain their staff, the Gen Y's surveyed were motivated by knowing that the type of work they were doing was important, valued and readily available. It is equally important for organisations to demonstrate the longevity of the relationship as well as offering praise for a job well done.

Lastly, over half of the surveyed Gen Y's rated the opportunity to be 'Creative' in their work environment within their top three values. Whilst full creative rein may not always be an option, the opportunity for Gen Y's to do something original through their work is a valuable approach in tapping into their innovative ideas and allowing natural talent and problem solving to shine through.

These results paint an interesting picture of the Gen Y's within this organisation. Similar to popular classifications and descriptors of Gen Y's, these individuals were highly motivated opportunity to grow, develop their abilities as well as the potential to acquire specialist skills. Building effective relationships with peers and Managers and working within a group of understanding team members was highly important driver. Interestingly, in contrast to popular assumptions that Gen Y's perceive themselves as "irreplaceable" choosing to flit between the best opportunities for them – it was important for this group of Gen Y's to be assured of their job security and knowing that the type of work they are undertaking was valuable.

The key message for organisations is understanding their Gen Y employees as individuals and identifying their needs and behavioural preferences rather than simply identifying them as a cohort. There are a variety of objective and highly valid and reliable tools on the market to allow these needs to be established. The challenge for organisations is to use this data effectively in order to develop more meaningful retention programs for their staff rather than a one size fits all approach. Only then will they be able to embrace and retain the true talents of their Gen Y employees – how do I know this? I am a Gen Y myself...

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