



THE GEN X & Y WORKFORCE

In an increasingly competitive labour market, employers looking to retain and attract high calibre executives must be aware of the motivations and desires of Generation X (born 1965 – 1980) and Generation Y (born 1980 – 1995). Statistically, they represent over 40% of the Australian population. Strategically, they are the key source of future leaders for the next two decades to come.

As an executive search firm, Emissary is often questioned about the difficulty in attracting and retaining executives from these generations. Despite their differences, they share many commonalities and the following article reveals a number of insights garnered from our specialist service focused on recruiting and developing high calibre 'Emerging Talent' from around the globe.

HOW DO THEY DIFFER?

LIVE TO WORK vs WORK TO LIVE

Perhaps the major difference between Gen X & Y and previous generations is their view of success. Rather than a race to the top of the corporate ladder, success is defined increasingly by the achievement of personal, family and in many cases, community-oriented goals. While vocation remains important, executives weigh location, stress, working hours and overall work/life balance against traditional factors such as status and remuneration. There will certainly be some stages of life spent working long hours and taking on increasing amounts of responsibility (due to perhaps family or financial goals), however the general mindset is that an individual is defined by more than what they do for a job ... in essence these executives Work to Live rather than Live to Work!

DIVERSITY OVER LOYALTY

Similarly, we have seen a significant push towards more diverse career paths with Gen X & Y executives. In 1959, the average retention rate per employee was around 15 years. Today that rate sits at just 4 years and our experience suggests this may even be less for Gen Y executives. This is a result of many factors: they have entered the workforce during a period of sustained economic growth with relatively more jobs than people; the current government continues to move away from union-based negotiation - encouraging individuals to gain a better understanding of their own worth and negotiate their own career terms; the media highlights trends toward corporate downsizing and outsourcing - suggesting a lack of loyalty toward employees; and technology advances put young executives just a Google search away from up-to-date market, remuneration and career data.

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THE WORLD IS THEIR OYSTER

Globalisation has also had a major effect on the Gen X & Y mindset. In particular, executives factor in at least one, if not several, years overseas. The 'Brain Drain' phenomenon is a direct result of this - where many corporations see their brightest graduates disappear overseas to pursue international travel, work and educational opportunities. Unfortunately this often occurs at a time when most graduates are just starting to truly add value for organisations and prospective future leaders are only just showing signs of their potential. The challenge lies in supporting executives with their international aspirations and providing easy conduits to and from overseas. The potential risk of losing talent long term is more than offset by the benefit of internationally experienced and educated talent who return with an influx of new ideas and a broader global perspective.

TECHNOLOGY SAVVY

Gen X & Y have also developed a sophisticated understanding of technology. Born with a keyboard at their finger tips, these executives prefer and even demand new technology-based ways of communicating with and being recruited by organisations. Gen X & Y expect both IT and Telephony as a standard part of their overall remuneration package. This is increasingly important when considered in line with the push toward more flexible working hours and locations. Finally, training and development must also utilise technology to engage this segment of the workforce. Time poor and tech hungry, these individuals require experiential, on-demand learning events with content from credible and verifiable sources.

LIFE LONG LEARNING

Gen X & Y represent the most educationally qualified generations to date. Moreover, the importance of education has been repeatedly drilled into them by society and the media. So much so that 'life long learning' in both traditional technical skills and softer people & life skills and is now an integral part of the Gen X & Y ethos and a key consideration in joining and remaining with an organisation.

HOW TO ATTRACT AND RETAIN THEM?

The above factors present a significant challenge for corporate Australia. While individual executives will undoubtedly have their own preferences, needs and requirements, our experience has found that the following factors can enhance the retention and attraction of Gen X & Y as a whole:

“These generations expect time to achieve personal, family and in many cases, community based goals.”



EMPLOYER BRANDING & CULTURE

Although this has been a buzzword in HR circles for some time, few organisations truly do employer branding well. With the convergence of media in recent years, consumer marketers have realised the need for integrated, unified communications across all forms of media. In a similar vein, Gen X & Y expect both consistent messages at every touch point and communications targeted to their particular area (whether that be graduate, MBA, or senior executive levels). They are looking to answer a number of key questions: What is this organisation about? What is the value proposition? What kind of people will I be working with? And how do they fit with my personal values and plans for development? This means more than colourful brochures and flashy micro-sites, it incorporates the people, business partners (such as search firms) engaged at all point of the employment relationship.

LEADERSHIP STYLE AND MENTORING

Throughout the entire employment experience Gen X & Y are searching for a new leadership approach from organisations. The old notion of command and control has given way to new concepts of value-based leadership and mentor-centred leadership. The personality, style, and values of the hiring manager are often as important as the role itself – as this represents a major source of future growth and inspiration. Increasingly it seems the hiring manager is being interviewed and assessed as intensely as the candidates themselves. To effectively attract and retain Gen X & Y then, executives need to be selected in terms of their ability to mentor and develop emerging talent and educated on the generational nuances and needs of this important group.

FLEXIBILITY & DIVERSITY

As we follow Gen X & Y executives through their career, it becomes evident that ongoing engagement is crucial for both productivity and long term retention. Job rotation, promotion, and international relocation have proven to be successful programs within many of our clients for retaining high performers in the Gen X & Y category. In fact some research even suggests that high performers are likely to falter if they aren't given frequent tough assignments that stretch them to the limits of their ability. At the same time, diverse opportunities and acknowledgment of goals/needs outside of the office are important considerations. For example, many Gen X women re-entering the workforce after childbirth, prefer 'family friendly' employers.

“Gen X & Y are searching for a new leadership approach from Australian organisations”



TRAINING & DEVELOPMENT

Traditionally delivered to improve role-specific employee performance, organisational training & development is now a distinguishing factor for engaging Gen X & Y. A recent study in Australia by McCrindle noted that 89.6% of Gen Y employees agreed that regular training would increase the chances of a longer tenure. Our experience suggests the same, with high performers actively targeting organisations that have a reputation for investing in sophisticated development programs and sponsoring further academic study such as MBAs.

NEW RECRUITMENT METHODOLOGIES

With significant talent shortages across all key sectors, it is crucial that Australian organisations re-think who and where they source for emerging talent. One initiative developed at Emissary involves attracting talent for our clients from off-shore locations - be they ex-pats looking to return or individuals with a genuine reason to relocate to Australia. There is also significant scope for targeting executives from non-traditional sectors who have the broader business skills, raw intellect and leadership potential to transition across numerous sectors. Finally, there exists an opportunity to utilise new technology to differentiate the employer brand. Bain & IBM for example, recently invited graduates to interact with senior executives in the popular 3-D virtual world Second Life as part of their overall graduate recruitment program.

CONCLUSION

Clearly, Gen X & Y create a new paradigm for talent in corporate Australia. In an increasingly competitive market it is crucial that organisations fully understand the nuances of this important segment and re-think their approach to attracting and retaining emerging talent. If you would like to learn more about our emerging talent, executive search and leadership services please contact Chris O'Brien on cobrien@emissary.com.au.

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