# Managing generation Y in the pursuit of creating an effective organisation

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#### Abstract

Generation Y is defined by "the eager to grow". They are highly educated and competitive. Born in the era of internet and high-speed communication, these individuals are used to working at a fast pace, are at ease with sourcing information and highly adaptable when it comes to change. Because of their modern approach, they will question their leaders' old ways of doing business. They are highly productive and will challenge the ways of their superiors if the messages are not consistent. Profile of Generation Y and their learning styles and expectations are very different from earlier generations. The flexibility & multitasking and teamwork support and influence the behavior of generation Y in the workplace while technology, cultural acceptance and being independent do not support to enhance their performance. This paper suggests the practices which are found to be effective in managing this generation.

**Keywords:** Generation Y, Effective HR management, Future organisations.

#### Introduction

Times change as technology evolves, and in the past few decades we have witnessed a second industrial revolution, if you look at the technological achievements that have affected our day to day lives.

This implies a change in human perception and behavior. We call it evolution. All these changes determine the main patterns of a generation.

This is the era of the millennials, or Generation Y. In October 2004, researchers Neil Howe and William Strauss defined the group as "those born in 1982 and approximately the 20 years thereafter". In 2012, they affixed the end point as 2004. Generation Y is defined by "the eager to grow". They are highly educated and competitive. Born in the era of internet and high-speed communication, these individuals are used to working at a fast pace, are at ease with sourcing information and highly adaptable when it comes to change.

The generation of people born during the 1980s and early 1990s. The name is based on Generation X, the generation that preceded them. Members of Generation Y are often referred to as "echo boomers" because they are the children of parents born during the baby boom (the "baby boomers"). Because children born during this time period have had constant access to technology (computers, cell phones) in their youth, they have required many employers to update their hiring strategy in order to incorporate updated forms of technology. Also called millennials, echo boomers, internet generation, iGen, net generation.

The most recent demographic group is named Generation Y, which have entered higher education and the world of work. The beginning dates of 1977-1982 to ending dates of 1994- 2003, define the parameter of Generation Y. They are the children of the baby boomers who have been highly attentive, child-centered and competitive parents. They have grown up in a rapidly changing technical world where change happens at a speed well beyond the pattern history predicts. Some previous literature uses the term "Millennial" to refer to those people whose birth years fall

between 1982 and 2000 and whereas "Generation Y" and "Millennial" remain the two most common designations, for this group of young people. There are a number of other terms have appeared including: "The Next Generation", the "Dot-Coms", the "Echo-Boomers", the "iGeneration", the "Me Generation", "Generation—D" (digital), and the "Nexters".

### Main Characteristics of Generation Y

- 1. Gen Y grew up with technology, so being connected and tech savvy is in their DNA. Equipped with the latest technology and gadgets such as phones, laptops and tablets, Generation Y is online and connected 24/7, 365 days a year. Many millennials grew up seeing their baby boomer parents working day and night doing stressful corporate jobs, which has shaped their own views on the workforce and the need for work-life balance.
- 2. Millennials are the inquisitors, with a curious approach to everything. They are not afraid to ask questions and they are confident when giving answers. This is the generation that cannot waste its time on hierarchical protocol and tends to treat everybody the same, from their most senior leader to the clerk. And they expect the same type of treatment in return.
- 3. Teamwork is high on the agenda of Generation Y. Regular team meetings and collaboration with colleagues is preferred. Generation Y wants to be involved and included. They expect openness and transparency from management and colleagues and seek this team-player mentality in an organization.
- 4. Because of their modern approach, they will question their leaders' old ways of doing business. They are highly productive and will challenge the ways of their superiors if the messages are not consistent.
- 5. Millennials are as likely as other generations to believe that employees should do what they are told at work but that does not mean that they will not question what

they are told to do. They are fine with changing their job if they feel like they can no longer confides in their leaders or their values are no longer in line with their company, and they feel very comfortable with changing their location within the company as well.

6. Importantly, the concept of organizational loyalty needs to be put into context of other workplace attitudes. Towers Watson found that employees of all ages who feel supported by their organization and their supervisor are also more likely to feel committed to their organization.

#### Gen X vs. Gen Y

Generation X is typically defined as those born between 1965 and 1977 and, 41 million strong now account for 22 percent of the U.S. workforce. Gen Xers were latch-key kids that grew up with the Cold War, the collapse of the Soviet Union, the outbreak of AIDS and the commercialization of subcultures on MTV. Gen X represents the largest group of entrepreneurs in history.

Typically, a Generation X employee is highly educated, technology literate and fiercely independent (give them a project and leave them alone to do it). Though they have a strong work ethic, many Xers are committed to their families or lifestyles and expect significant workplace flexibility. Though their moniker is "slackers," Gen X works on average 3 hours-per-week more than employees of comparable age did in 1977. (Source: Families and Work Institute of New York City).

Gen Y, 76 million strong, (also known as "Millennials" or "Echo Boomers") was born after 1977. They are tenacious go-getters with an "I can do anything" spirit, and they demand to be seen, heard and accommodated. Their generation is defined by global warming, the 9/11 terrorist attacks, school shootings and the rise of the Internet. For these digital natives, online social networking sites such as MySpace are vital forms of communication. Gen Y has been pampered and programmed to overachieve since they were toddlers--they are both high-performance and high-maintenance.

Generation Y employees thrive in a fast-paced environment. They prefer to be managed, rather than left alone, and they want immediate feedback for how well they do a work task or project.

They value opportunity, not job security; they embrace corporate positions that promote social contribution and racial/sexual equality. Generation Y employees thrive in challenging environments.

## Literature Review

Srivastava<sup>1</sup> conducted research on "Performance of Generation Y in Workplace: A Study of Selected Banks in Delhi NCR". The objective of the research was to explore the concept of generation Y and their knowledge and skill level which effect in the performance of the organization. The paper explored the characteristics of Generation Y graduates and the effects of their performance in the workplace after entering into the organization. This paper

had found out the knowledge and skill level of Generation Next employees in compared with the older generation employees especially in some selected bank such as ICIC and SBI in Delhi NCR region. This paper concluded by the findings that a profile of Generation Y and their learning styles and expectations are very different from earlier generations.

Mansor<sup>2</sup> conducted research study on "A Study on Generation Y Behavior at Workplace". The objective of this study was to get better understanding on the generation Y behavior at the workplace. The sample of this study was on generation Y whose age was between 18 to 32 years old who works in the government and private sector around Selangor and Kuala Lumpur. The primary data source was used through questionnaires that were distributed randomly among generation Y around Selangor and Kuala Lumpur. The data was analyzed using SPSS mode. The result of the study revealed that the flexibility & multitasking and teamwork support and influence the behavior of generation Y in the workplace while technology, cultural acceptance and being independent do not support to enhance their performance. This research was basically to help the organization and other generations such as generation X to get more understanding about generation Y behavior at workplace.

Parul<sup>3</sup> conducted researched on "Managing Career Aspirations of Generation Y at Work Place". The objective of the study was to study the attributes of Indian Generation Y and to explore the career aspiration of Generation Y. This paper studied the attributes and values of generation Y and how these can be utilized to create value for the organization. This paper also focused on the strategies to manage the career aspirations of the Generation Y at the work place. In the course of the research, some interesting facts have emerged such as, "Millennial don't live to work, they work to live". The generation Y professionals generally aspire for brand identity, competence and a sense of service. They are motivated when they have an empathetic supervisor, good work- life balance, sound company policies, and equitable pay. A generation with strong sense of social concise and purpose, it never loses an opportunity to create their own identity and space. This research paper was an attempt to suggest strategies to manage career aspirations of generation Y at work place. The strong work ethic and an ability to learn rapidly and adapt are some of the attributes that make Generation Y employees highly valuable assets for an organization.

Huybers<sup>4</sup> conducted study on "The Recruitment and Retention of Generation Y". The purpose of this study was to determine how employer attraction and retention practices have changed, or need to change, as Generation Y enters the workforce. This study identified and outlined the demographic characteristics of the two generations in the workplace, the Generation X and Generation Y. It addressed that strategies employers are incorporating to attract and retain Generation Y. The methodology used in this study is an online survey that was emailed to 556 Human Resources Managers using the UW Stout Qualtrics survey tool. The

goal was to gain an understanding of the motivations of the different generations and the current recruitment and retention strategies companies are using to attract and retain Generation Y. The findings stated that the generation X were interested in benefits, a retirement plan, integrity and honesty, salary, and challenging work as their top 5 most important motivations in the workplace. On the other hand, Generation Y were interested in salary, personal recognition, flexibility in scheduling, career advancement plans, and a work/life balance.

Shih and Allen<sup>5</sup> conducted research on "Working with Generation-D: adopting and adapting to cultural learning and change" and discussed the expectations and needs of Generation Y students for higher education specifically targeting issues relating to libraries and library management. The paper has provided a brief overview of Generation Y personality traits and characteristics. This was followed by a discussion of organizational culture, explaining how to effectively adapt to meet the expectations of the Generation Y students. The paper recognized the need to address the challenges of the new learners from all levels of library management and provides strategies and programs to enable positive change within the library culture.

Arsenault<sup>6</sup> has conducted research study on "Validating generational differences A legitimate diversity and leadership issue" to study the generational differences. Results showed that generations create their own traditions and culture by a shared collective field of emotions, attitudes, preferences, and dispositions. In addition, the paper discussed significant differences in how these generations rank admired leadership characteristics, which correlates to their preferred leadership style and favorite leaders. The paper concluded that generational differences are a legitimate diversity issue that organizations need to recognize and understand and an issue that needs to be addressed in developing current and future leaders.

Glass<sup>7</sup> conducted research on "Understanding generational differences for competitive success". The purpose was to analyze specific challenges, and also opportunities, inherent in managing and working with a multigenerational workforce. Three primary generations exist in the business world: baby boomers, generation X, and generation Y (known as millennial). Each possesses unique characteristics that affect work ethic relationships, how change is managed, and perception of organizational hierarchy. The different backgrounds and life experiences result in five areas of potential workplace strife surrounding their differing expectations, distinct work ethics, deep-seated attitudes, opposing perspectives and diverse motivators.

Westerman and Yamamura<sup>8</sup> studied on "Generational preferences for work environment fit: effects on employee outcomes" to examine generational differences in the organizations. This research proposed that Firms must recognize the influence of the values and work preferences of the next generation on organizational outcomes in order both to retain staff and to groom future leaders. It was also proposed to examine the theory that firms' lack of success

in employee retention may be impacted by the extent to which they understand and address generational differences in values, goals, and preferences. This study used survey methodology to examine generational and gender differences amongst the work environment preferences of 234 accountants in accounting firms. The results showed the importance of goal orientation and system work environment fit for younger generation workers on satisfaction and intention to remain; and relationship fit on the satisfaction of Baby Boomers. Baby Boomers also experienced higher levels of overall satisfaction than younger generation employees.

### Discussion

There is no arguing that millennials are the best-educated generation so far, but if we look at the American and European labour markets at the moment, many of them are still struggling because of the economic environment they started their careers in. A master's degree from a high-quality university is a much more important factor for a millennials career than for any prior generation. Moreover, in the context of an economic crisis, the effect of education is undeniable.

According to the Towers Watson Talent Management and Rewards 2014 survey, in the UAE in particular, millennials are motivated by career-advancement opportunities, challenging work and job security. For them, the focus is shifting from base pay to career advancement as the main attraction driver. However, the size of their pay cheque remains the most important retention driver. On this basis, attracting and retaining key employees in the Middle East has become increasingly difficult.

Accelerated leadership programmes would be an effective tool in retaining them. High-potential employees can be identified by subjecting them to challenges where they will be stretched and assigning them responsibilities outside of their comfort zone to determine whether they can be developed further into future leaders.

Succession planning and development programmes are key tools for spotting bright young talents. This practice creates opportunities for highly competitive employees, feeding millennials' need for growth and development.

Ultimately, employees expect their companies to provide a road map to success. In training Generation Y, managers should support the efforts of their employees through a coaching and enabling approach rather than the sanctioning and directing route. To manage generation Y following things should be considered by the manager:

- 1. Create a Desirable Work Environment
- 2. Enhance Award and Recognition Programs
- 3. Adjust Training Techniques to Generation Y Employees' Learning Styles
- 4. Stop, Collaborate and Listen
- 5. Give Generation Y Employees Work that Has a Greater Purpose.
- 6. Utilize Sophisticated Communication.

Managers should keep in mind that Generation Y sees the world differently. Managers should also understand how

to deal with those differences to support a business' growth and success. By being aware of generational differences in the workplace and adjusting management techniques cross-generationally managers can hope to be more successful in achieving the results they desire for their Generation Y employees.

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### Conflict of interest

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