

# Great expectations: managing Generation Y



Great Expectations is a research project undertaken by ILM and Ashridge Business School in the Spring/Summer of 2011. The report can be found on ILM's website at [www.i-l-m.com/generationy](http://www.i-l-m.com/generationy)

The research provides a valuable case study into the motivations and attitudes to work of a particular group – young, recent graduates – a group that now makes up around half of all new entrants to the workforce. Having learnt about the theories and principles associated with motivation, the research offers real, practical insights into a particular group of employees which learners can use as the basis for discussions about the practicalities of getting the best out of them.

When introducing the research, emphasise the sharp increase in participation rates over the last two decades and its impact on the labour force profile. Nearly half of all younger employees are graduates but there are fewer graduates amongst managers than the people they manage, as they come from generations with much lower levels of participation:

- Baby Boomers (born in the late forties and fifties), now starting to leave the workforce, had HE participation rates ranging from 10-15%
- Generation X (born in the sixties and seventies), now dominating management positions, are more likely to be graduates, but even so only around 30% of this generation went to University or Polytechnic
- Generation Y (born in the eighties and nineties), now starting to enter management in increasing numbers, grew up in an increasingly computerised world with an assumption around half would enter Higher Education.



# Research Method



This slide outlines the research methods and topics covered. The sample size is large enough to draw conclusions about the wider population of graduates and managers of graduates (NB: not all managers, but those who manage a team or group of people that contains graduates).



## The key findings

Graduates are a huge potential asset:

- Highly motivated
- Very ambitious
- Higher achievers

But they are:

- Independent
- Impatient
- Looking for a different relationship with their managers



Summary of the findings, as an introduction, showing a strong emphasis on extrinsic motivation – particularly on salary, perhaps reflecting the high levels of indebtedness of grads. The research highlighted the size of the gap between managers' expectations about graduates and the reality of graduate ambition



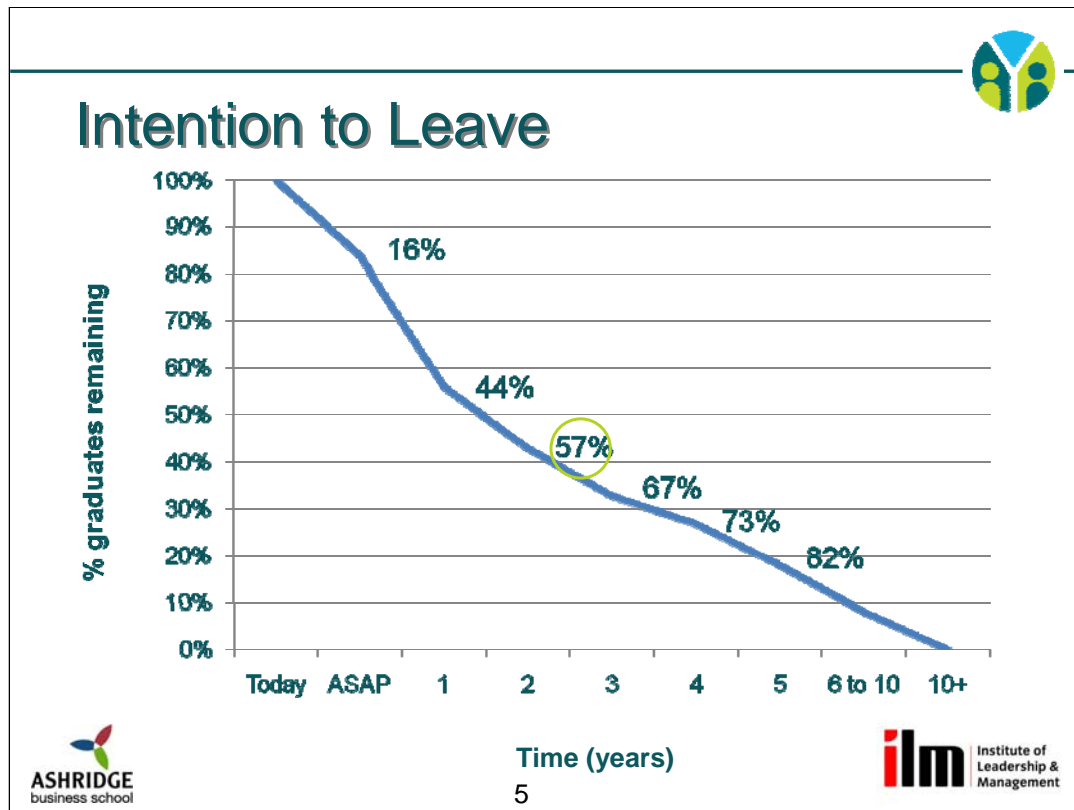
## Graduates' expectations of work

How managers <i>think</i> grads would rank:	How important are these characteristics (rank in order of importance)	How graduates actually rank:
1	Challenging / Interesting work	1
2	Career Advancement	3
3	Good Managers / Leaders	12
4	Personal Development and Training	8
5	High Salary	2
7	Job security	4
10	Good Work Life Balance	5

Shows how graduates' managers' perceptions of what graduates wanted compares with the graduates' own motivation.

Useful discussion to compare what managers perceive employees want from them and what employees actually want.

- Why are items 3, 4 and 7 so high on managers' lists but much lower on graduates'?



As time progresses (X axis, *time in years*) fewer and fewer graduates expect to remain in their current jobs (Y axis *% graduates remaining*)

Values written beside graph are cumulative for graduates *leaving*:

- Today 0%
- ASAP (leave immediately) 16%
- 1 year 44%
- 2 yrs 57%
- 3 years 67%
- 4 yrs 73%
- 5 yrs 82%
- 6-10 yrs 98 %
- 10 + 100%

57% circled as it shows more than half will leave within 3 years – useful to discuss how much it costs to recruit and train graduates and how many will go so quickly.

Research by CIPD and Angela Mortimer Recruitment both suggest that it costs between £5 and £10k just to recruit someone (and that excludes induction and training), so high turnover is expensive.

- What can managers do to reduce such rapid turnover?



# Manager Behaviour

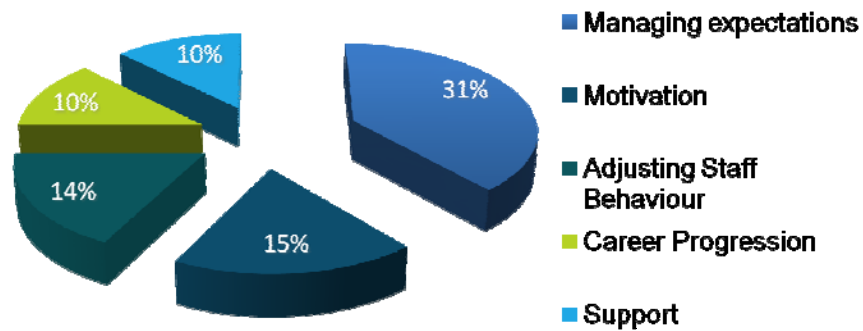
What managers think <i>grads</i> want	What do graduates want from their managers (rank)?	What graduates say they want
1	Provide regular feedback about performance	10
2	Support career progression	3
3	Set clear objectives	8
4	Communicate well	2
5	Respect / Value employee	1
6	Trust graduate to get on with things	4
9	Listens	5

This table compares what managers believe graduates expect from them, and what graduates say they want. The major disconnect lies in 1<sup>st</sup> and 3<sup>rd</sup> items in the managers' list of priorities, behaviours that are generally perceived as being central to being an effective manager, yet not rated by the graduates.

- A discussion about this might consider if it is because graduates don't want such close supervision (perhaps the autonomy of university makes them resent it) or do managers fail to do it well, or to explain its benefits?



## Greatest Challenges for Managers of Graduates



*"The biggest challenge is managing our graduates' expectations".*

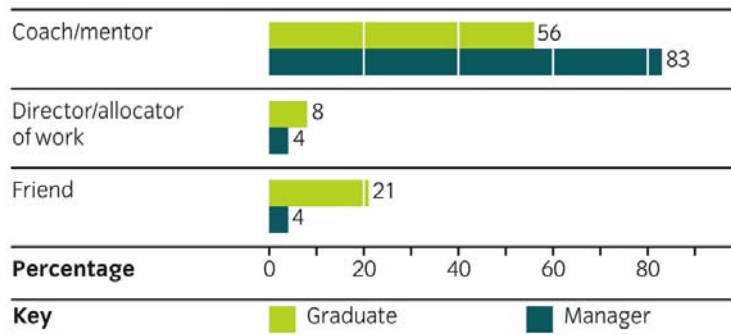
What do learners feel about this list - how does it compare to non-graduate employees?

- What do learners regard as their top five challenges in managing their people?

# Graduates' Relationships with their Managers



**Figure 3: Ideal relationship between managers and graduates**



Lighter green is Graduate responses, darker green is the managers'.

- Is this how learners see their roles?
- Is this what their teams expect from them?
- Can a manager also be a friend?





## Differences in Attitudes to Work

*"I don't always think that they share my vision of high performance and hard work. They don't always appreciate that they are starting from the bottom."*

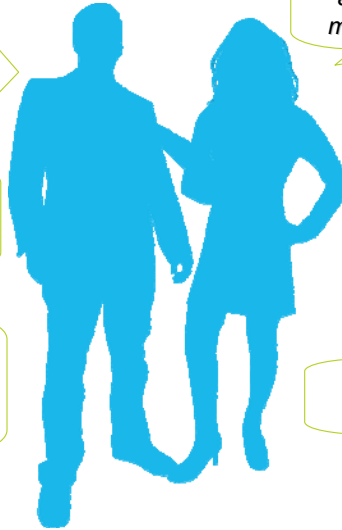
*"Graduates need to become people focussed rather than task focussed."*

*"I am settled and progressive. They are eager and responsive."*

*"He has no life other than work and spends all evening and most weekends in the office."*

*"I feel like this job is not my career therefore do not care too much about it."*

*"I'm giving it a lot of energy, doing all I can to advance."*



Some examples of managers' (left) and graduates' (right) comments about each other.



## Work-Life Balance

Work tasks during home time	Never	Often
Graduates	25	39
Managers	6	63

'Switched on' to work when home	Never	Often
Graduates	19	52
Managers	4	76

Personal tasks during work time	Never	Often
Graduates	22	39
Managers	20	25

From taking a BlackBerry on holiday to logging on to the company network from home, it's hard for many managers to switch off from work. This is shown by the 63% of managers who often do work tasks at home compared with the 6% who never do, or the 76% who often stay 'switched on' to work at home, compared with 4% who never do. Although many of the graduates also work in home time, the proportion is much lower, and the proportion who never do is much higher. Equally, graduates are more likely to do personal tasks at work, although the contrast with their managers is less striking.

Is this a seniority thing, or is it attitudinal? This slide is a useful basis for discussions about work-life balance – about what learners themselves do and what they expect of assume their team members (and fellow managers) should do.



## Summary Questions

Although this research looked at graduates and the managers of graduates, the differences in perceptions could apply to any group of managers and employees

- How can you ensure that you understand what motivates the people you manage?
- Do you expect the people you manage to have the same approaches to the job as you do? Is this a reasonable expectation?
- What do they expect from you, as a manager, and what do they value most?

This is an opportunity to generalise from the specifics of managing graduates to learners own roles and teams and the strategies that they can use to make sure they understand their teams.

# Great expectations: managing Generation Y



Closing screen