



AIF

ASIAN INSTITUTE OF FINANCE

**GEN Y
IN THE
WORKPLACE:**

**AN
INTERNATIONAL
COMPARISON**

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FOREWORD

Generation Y has been the centre of many talent conversations. They have been branded as the 'Trophy Kids', 'Me Generation', with many preconceived notions that come with these stereotypes. As Gen Y is now the fastest growing segment of the workforce, keen interest and attention has been drawn to them.

With the so-called Baby Boomers fast approaching the retirement age, Gen Y will not only dominate the workforce but also become the leaders of the future. They will ultimately shape and transform the workplace in line with their upbringing and how they approach their lives and career. Understanding what makes Gen Y tick is key to learning how to work with and manage them.

This report has been produced through collaboration between the Asian Institute of Finance and Ashridge Business School, UK. It includes unique insights into the minds and motivations of more than 1,200 finance professionals in Malaysia (both Gen Y and their managers), highlighting some emerging and intersecting trends. It also dispels myths about Gen Y.

As the report highlights, strategies that have been successful in managing previous generations of professionals may no longer be effective or relevant for the new kids on the block. The traditional command-and-control approach to management is no longer effective in retaining Gen Y as they want to be coached and not managed. Contrary to popular belief, Gen Y professionals are engaged at work and committed to their careers. But this is a generation that does not live to work but works to live, which is often misconstrued as being disloyal. Their mobility aspirations tend to be characterised by a desire for greater professional challenges, exploring different career paths and taking on new responsibilities.

What does this mean for organisations and their talent strategies? Organisations need to embrace a new construct in managing talent to reflect a more agile and empowered workforce. A talent strategy that better engages, enriches and empowers Gen Y professionals will go a long way towards long-term business sustainability.

Gen Y holds the key to the future of your business. The question is, are you ready to capitalise on their positive attributes and unique sets of skills?

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The Asian Institute of Finance (AIF), in collaboration with Ashridge Business School, UK, conducted a survey to explore Generation Y (Gen Y) in the workplace, focusing on the financial services industry in Malaysia. The study presents one of the most comprehensive surveys of its kind, collecting survey responses from 606 Gen Y professionals and 616 managers across the industry, covering banking, Islamic finance, insurance and the capital markets. The research focuses on understanding young professionals' work expectations, attitudes and motivations with an emphasis on their relationship with their managers. It also looks into how well managers, who are largely Generation X, understand Gen Y professionals who report to them. Findings of this research have been compared against similar data collated by Ashridge Business School in the UK, Middle East and India to create an international perspective of Gen Y in the workplace.

The study discovered that the majority of Gen Y finance professionals (64%) said that work had not lived up to their expectations, while a significant portion (15%) were dissatisfied with their managers at work. This may be due to their high initial career expectations and a desire to rise quickly to the top (about 44% of young professionals said they believed it is reasonable for them to be in a management role within three years of starting work). Despite being discontent with their working life, young professionals are engaged at work. About 68% would recommend their employer as a good place to work and 64% are personally motivated to help their organisations succeed. However, the survey showed that those who are not engaged at work will likely leave their current job within two years.

Findings also point to a significant disconnect between managers and Gen Y professionals across multiple issues. Gen Y professionals view work differently from their managers. The clear discord between the mindsets and expectations of Gen Y as well as the engagement strategies of their managers can potentially result in challenges in the workplace.

So how can organisations and managers better engage with Gen Y? Studies have shown that organisations can do this by addressing their expectations. Hence, key to effectively managing Gen Y lies with how well managers know and understand their needs and expectations.

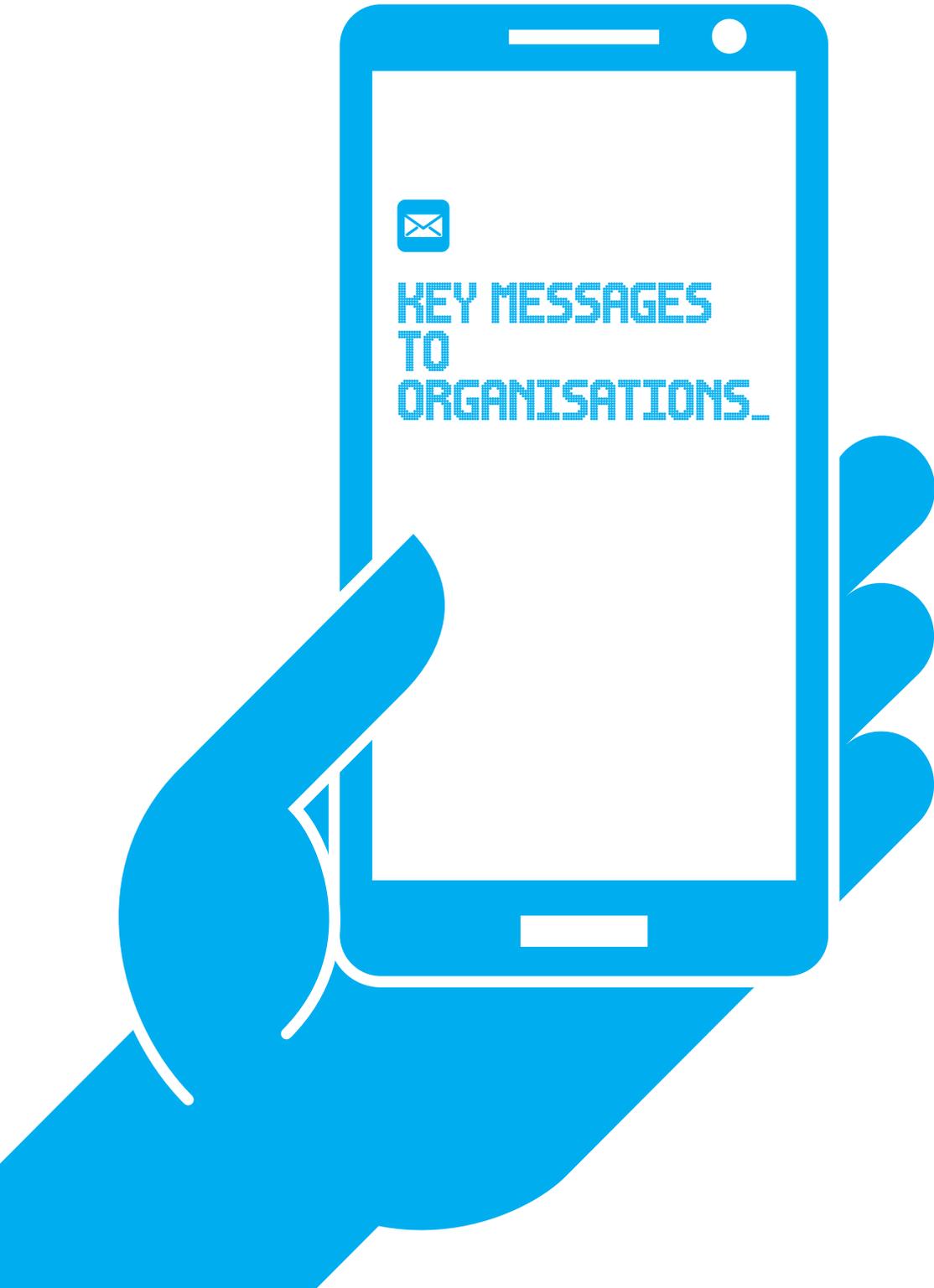
As an increasing number of Gen Y graduates enter the workforce and move into management positions, organisations must be able to leverage on their different working styles and values while being aware of the risk of over-generalising and stereotyping these young professionals. Finding the right balance in managing Gen Y employees will be a defining competitive advantage to organisations as they compete to attract and retain talent.

GEN Y : WHO ARE THEY?

Born between 1981 and 2001, Gen Y is arriving on corporate doorsteps with diverse life experiences as a direct result of early exposure to communications, the Internet, digital technologies and social media. Dubbed as the "Me Me Me Generation" by Time magazine, this youngest generation in the workforce is also known by a host of other names - Millennials, the Net Generation and the Trophy Generation.

They thrive on challenging work, like to collaborate, are independent and have high expectations of themselves, their managers and the organisations they work for. Being brought up by helicopter parents¹ who were very active in their upbringing, this generation is particularly independent-minded with high levels of confidence. As such, they have been empowered to be creative beyond traditional organisation boundaries. Because they grew up in a very different world than their older co-workers, there is an overall consensus that they enter the workplace with different worldviews, expectations, motivations and assumptions about work life.

¹ Helicopter parents are parents who hover over their children and become very involved in all aspects of their children's lives. They have the tendency to pay extremely close attention to their children's upbringing and experiences.



1. MOBILITY IS THE KEY TO EFFECTIVE CAREER DEVELOPMENT

Media often portray Gen Y as “self-centred and transient”. This leads many to believe that they are very demanding with strong personal expectations in their working lives and would be willing to change jobs for a better deal. In truth, these young professionals are likely to switch jobs in search of greater career advancement and professional challenges. Hence, an effective corporate retention strategy is one that emphasises on the mobility aspirations of Gen Y.

2. GEN Y PROFESSIONALS ASSOCIATE THEMSELVES MORE WITH THE TYPE OF WORK THEY DO THAN THE ORGANISATION THEY WORK FOR

Young professionals do not live to work but work to live. They also seek challenging work from day one. Employers must redesign the work experience such that they feel challenged and appreciated in order to keep them stimulated at work. As they like to work collaboratively, office space should be designed to allow them to interact with their co-workers and promote teamwork.

3. AN EFFECTIVE MENTORING PROGRAMME HELPS IMPROVE PROFESSIONAL PRACTICE AND ADDRESS HIGH ATTRITION RATES

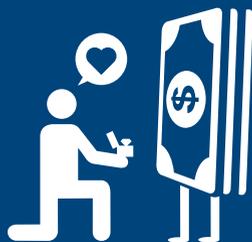
Gen Y looks to their managers as mentors and has a strong desire to learn from them. They don't want a boss who tells them what to do. Instead, they want someone who is hands-off, practices empowerment and provides leadership through strong support and guidance. This implies that flatter organisation structures are more appealing to Gen Y professionals.

4. HIGH COMPENSATION ALONE IS NOT ENOUGH TO ATTRACT AND RETAIN GEN Y PROFESSIONALS

Gen Y professionals are pushing the envelope when it comes to job offers. Although salary remains an important consideration, they also put a great deal of weight on non-traditional benefits when deciding what job to accept, valuing opportunities for new roles and clear career paths more than previous generations. The key to retention is for organisations to create new ladders within the organisations to guide these young professionals through a steady stream of career development programmes and opportunities to interact with clients. Organisations must also be able to demonstrate to Gen Y what they can expect in terms of career progression and professional development within the organisation.

DEBUNKING
THE MYTHS
ABOUT
GEN Y.





MYTH 1: GEN Y IS "ALL ABOUT THE MONEY"

Reality - Gen Y puts organisational culture before monetary benefits when looking for a job.

Facts - AIF research shows that the three most important workplace attributes to Gen Y professionals are challenging/interesting work, independence at work and teamwork.



MYTH 2: GEN Y IS NOT LOOKING FOR LEADERSHIP

Reality - Gen Y actually yearns for leadership and mentoring. They seek guidance and want the insights managers have to offer.

Facts - AIF research indicates that Gen Y's idea of a boss is someone who can help guide and develop their careers.



MYTH 3: GEN Y IS NOT LOYAL

Reality - They are loyal but it's a different kind of loyalty - not the old-fashioned, long-term and climb-the-ladder kind of loyalty. Gen Y is simply more mobile than their previous generations.

Facts - AIF research results suggest that Gen Y's employment relationship is short-term and transactional. They are more interested in exploring different career paths than locking into a job they do not gain satisfaction from for the rest of their working experience. This creates a perceived lack of loyalty from their co-workers of other generations. Loyalty to them is simply defined by what they prioritise at work and AIF research has shown that Gen Y values are clearly very different from their predecessors.



MYTH 4: GEN Y LACKS COMMITMENT

Reality - They have as much commitment as previous generations. However, they want meaningful work and want to use their talent and abilities to succeed.

Facts - The AIF research finds evidence of high levels of engagement at work. About 63% of Gen Y professionals said they were willing to go above and beyond their duty at work and 64% are personally motivated to help their organisation succeed.



MYTH 5: GEN Y WANTS MORE WORK-LIFE BALANCE

Reality - They are interested in work-life balance, but not much more than their older co-workers.

Facts - AIF research reveals that the majority of Gen Y professionals are able to maintain a healthy work-life balance and are more capable of striking a balance between work and life. They tend not to bring work home and even if they do, it is less frequent than their older co-workers. For them, balance is about a flexible working environment rather than being tied to the 9-to-5 practised by many conventional organisations.





DIFFERENT EXPECTATIONS ABOUT WORK DESIRES

Gen Y has a considerably different outlook on what they expect from their employment experience than their two predecessor generations. The top three priorities in the workplace for Gen Y professionals are doing challenging and interesting work, independence at work and teamwork (Figure 1). These young professionals value “intellectual challenges” and want a career that can further their professional development. Because they have a strong need to self-manage their work, they demand greater interdependence rather than being micro-managed.

Gen Y professionals want to be given goals and targets but at the same time, be left to their own devices to get the job done. The desire for stimulating and challenging work rather than a ‘job for life’ career by these young professionals has implications for the way financial institutions build their talent pipeline.

In contrast to Malaysian Gen Y professionals, young executives in the UK, India and the Middle East ranked salary as one of the top three most important

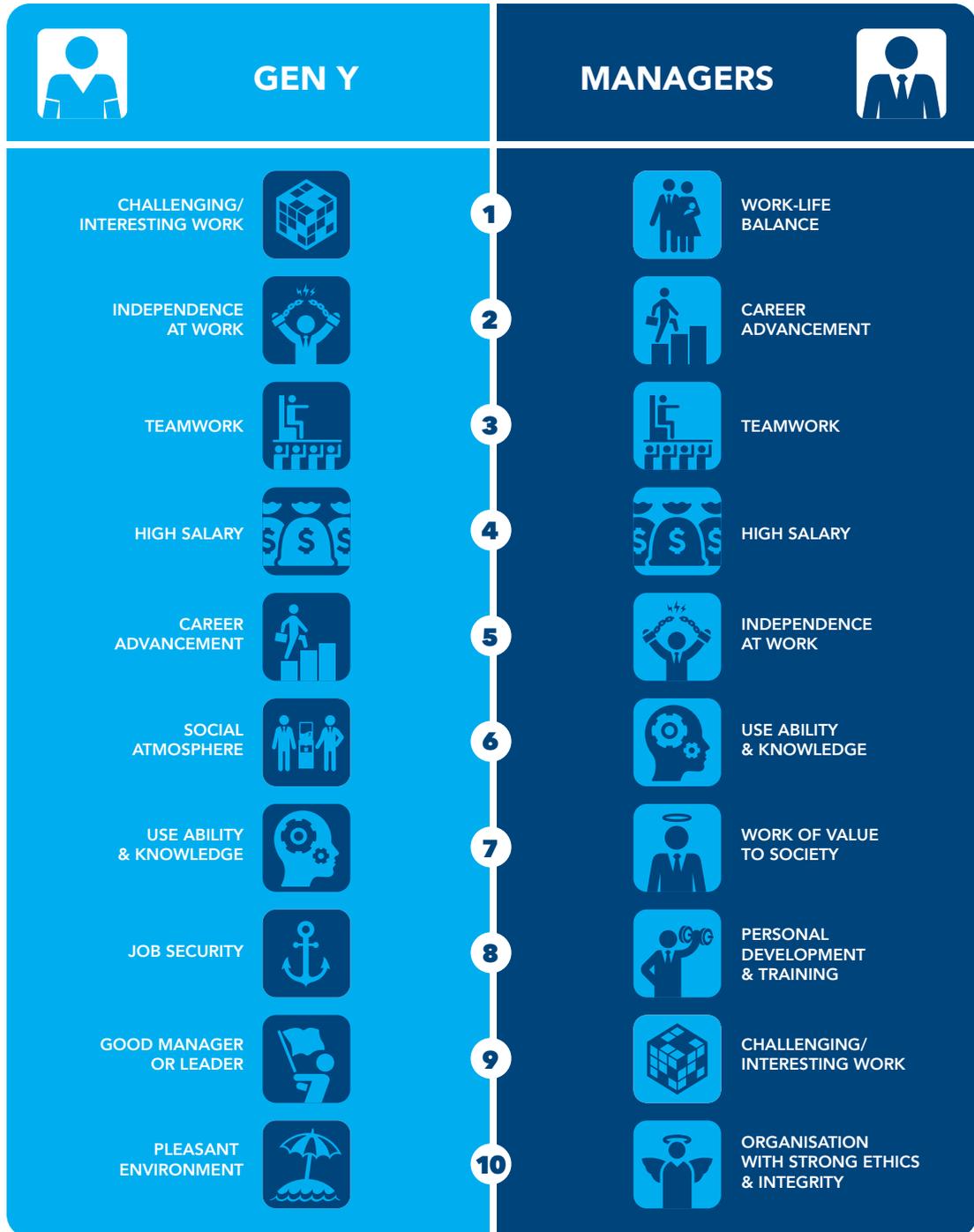
factors in the workplace. Although challenging and interesting work is important to all Gen Y professionals worldwide, career advancement was rated highest in India and the UK.

Managers (predominantly Gen X), on the other hand, see good work-life balance, career advancement and teamwork as the top three values when entering the workforce. The desire for work-life balance stems from their own upbringing – Growing up as “latchkey”² children, many of them were left to raise themselves after school and took on responsibilities at an early age as their parents worked long hours. Now with many of them married and having children, they are determined to spend more time with their family and want to actively participate in their children’s upbringing.

² Latchkey children is a term that describes children who carried house keys to school so that they could let themselves into their homes when they returned from school because their parents were away at work.

The top three priorities in the workplace for Gen Y professionals are doing challenging and interesting work, independence at work and teamwork. These young professionals value “intellectual challenges” and want a career that can further their professional development.

FIGURE 1: WHAT GEN Y & MANAGERS ARE LOOKING FOR IN A WORKING ENVIRONMENT



Although a high salary was ranked as the 4th most important decision-making factor when looking for work, it was ranked by a majority of the Gen Y professionals surveyed as the most important consideration after joining the workforce.

Clearly, what is most important to managers is considered less important to Gen Y as work-life balance was ranked 13th. Similarly, challenging and interesting work was scored consistently highly by Gen Y professionals, while managers viewed this as less important (ranked 9th). Hence, priorities that propelled previous generations up their career ladder are deemed to be less important to Gen Y professionals. However, there are certain work values that managers and Gen Y are aligned to. Both stressed importance of teamwork and career advancement. Results of the survey also revealed that managers are 3.5 times more concerned about ethical values of their employers than Gen Y.

In contrast to findings in different parts of the world, this study found that factors such as work-life balance, learning and development and opportunities to travel feature much further down the list of priorities of young professionals in Malaysia. An explanation of this lack of importance

placed on work-life balance may be due to the fact that Gen Y professionals have blurred the line between work and personal life. For them, work-life balance is not necessarily about going home on time but being able to have a life at work. The study also found that intrinsic values such as 'strong employer branding', 'doing work that is valued to society' and 'organisation committed to social responsibility' were the least influential work values.

Another interesting finding is that social connectedness at work is not a top priority for many Gen Y professionals as only 19% ranked this in the top three. However, it is a preferred work environment.

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FIGURE 2: GEN Y'S VIEWPOINT - "IF I COULD CHANGE ONE THING TO IMPROVE MY WORKING LIFE"



This shift towards prioritising pay after joining the workforce has important implications on Gen Y's attraction and retention strategy, as better pay and benefits that commensurate with their efforts was ranked highest when asked what they would improve about their working lives (Figure 2). It is crucial for employers to recognise that while good remuneration and benefits may not be the most important motivation for Gen Y when looking for work, it becomes an important retention driver as they progress in their career. This calls for a review of

the benefits offered to these young professionals as their careers develop, ensuring that benefit packages offered remain attractive. However, better perks and salary will not, on their own, motivate and retain Gen Y. They would also like to see greater support in their career progression from their managers and receive more feedback and guidance. Findings also suggest that Gen Y place more emphasis on how this feedback is shared rather than on the actual delivery of the feedback itself.

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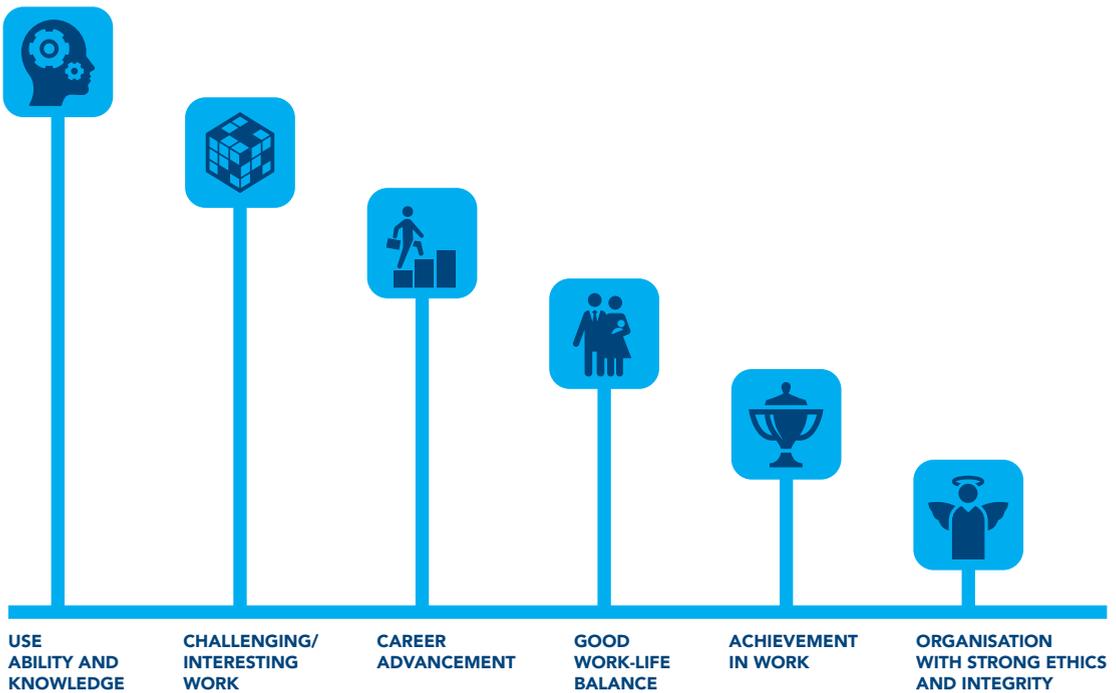
OUT OF SYNC - MANAGERS DON'T SEEM TO UNDERSTAND GEN Y'S VALUES AND NEEDS AT WORK

Gen Y is a social and inclusive generation that has been taught to collaborate and work with teams. As such these young professionals are team-focused and place great importance on independence at work (ranked 2nd) and teamwork (ranked 3rd). Their managers, however, don't think that Gen Y wants either of these, as they think Gen Y rates these values at 13th and 18th most important, respectively. But when it comes to "challenging and interesting work", both are on the same page. Dubbed as "digital natives" and "masters of social media", Gen Y professionals place importance on staying connected with the rest of the world via social networks, within and beyond organisational boundaries. Managers, however, don't view "social connections" as important to young professionals (sixth most important for Gen Ys, while managers think Gen Ys rate it 21st).

Although Gen Y professionals rate challenging/interesting work, independence at work and teamwork as important work values; their managers do not rate these values as important work factors for Gen Y. Managers perceive that Gen Y would be most influenced by factors such as using their ability and knowledge, challenging or interesting work, career advancement, good work-life balance and achievement in work (Figure 3). This shows that there are expectation gaps between Gen Ys and their managers. This lack of understanding across generations with their different working styles can create value clashes and lead to communication failures. It is important for managers to evolve their management style to embrace new ways of managing these young professionals by fulfilling Gen Y's need for empowerment and greater autonomy in the workplace.

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FIGURE 3: WHAT MANAGERS THINK ARE IMPORTANT WORK FACTORS TO GEN Y



When it comes to important management behaviours, managers think that it is important for them to provide regular feedback on performance and motivate Gen Y professionals (Figure 4). But these two management attributes are perceived as less important to Gen Y, ranking them 7th and 8th, respectively. Instead, they place greater importance on soft management skills, seeking managers that set clear objectives, support their career progression, communicate well and have professional expertise.

Although managers recognise some of these needs, they are not rated highly by managers when it comes to qualities of a good manager. However, both Gen Y professionals and managers agree that supporting career progression is an important quality of a manager – Gen Y places it 2nd and managers rate it 3rd. Meanwhile in the UK, managers see providing regular feedback as good management style and think that this is what young executives want. In the Middle East and India, managers think that Gen Y wants a manager who motivates them.

FIGURE 4: IMPORTANT QUALITIES OF A MANAGER

	IMPORTANT TO GEN Y	IMPORTANT TO MANAGER	WHAT MANAGER THINKS GEN Y WANTS
1	 <p>SET CLEAR OBJECTIVES</p>	 <p>PROVIDE REGULAR FEEDBACK ABOUT PERFORMANCE</p>	 <p>MOTIVATE EMPLOYEE</p>
2	 <p>SUPPORT CAREER PROGRESSION</p>	 <p>MOTIVATE EMPLOYEE</p>	 <p>SET CLEAR OBJECTIVES</p>
3	 <p>COMMUNICATES WELL</p>	 <p>SUPPORT CAREER PROGRESSION</p>	 <p>SUPPORT CAREER PROGRESSION</p>
4	 <p>HAVE PROFESSIONAL EXPERTISE</p>	 <p>RESPECTS/VALUES EMPLOYEES</p>	 <p>COMMUNICATES WELL</p>
5	 <p>TRUST EMPLOYEE TO GET ON WITH THINGS</p>	 <p>SET CLEAR OBJECTIVES</p>	 <p>RESPECTS/VALUES EMPLOYEES</p>

FIGURE 4: IMPORTANT QUALITIES OF A MANAGER

	IMPORTANT TO GEN Y	IMPORTANT TO MANAGER	WHAT MANAGER THINKS GEN Y WANTS
6	 <p>RESPECTS/VALUES EMPLOYEES</p>	 <p>LISTEN TO EMPLOYEES</p>	 <p>TRUST EMPLOYEE TO GET ON WITH THINGS</p>
7	 <p>MOTIVATE EMPLOYEE</p>	 <p>COMMUNICATES WELL</p>	 <p>TRUSTWORTHY</p>
8	 <p>PROVIDE REGULAR FEEDBACK ABOUT PERFORMANCE</p>	 <p>HAVE PROFESSIONAL EXPERTISE</p>	 <p>PROVIDE REGULAR FEEDBACK ABOUT PERFORMANCE</p>
9	 <p>TRUSTWORTHY</p>	 <p>CHALLENGE EMPLOYEE</p>	 <p>CHALLENGE EMPLOYEE</p>
10	 <p>LISTEN TO EMPLOYEES</p>	 <p>MAKE TIME FOR EMPLOYEE</p>	 <p>MAKE TIME FOR EMPLOYEE</p>

03

MEETING EXPECTATIONS AT THE WORKPLACE

The majority of Gen Y professionals (64%) surveyed said that work had not lived up to their expectations and about 15% were dissatisfied with their managers at work. Gen Y professionals were also not happy with some elements of their working lives. One in seven said that the level of challenge and interest in the work that they are doing is below expectations.

The biggest disappointment to these young professionals are flexible working hours (26%) and influence in the organisation (26%). Other factors that they felt are below expectations about their current organisations' efforts are salary (23%), career advancement (20%) and achievement at work. However, elements that are above expectations are organisations with strong ethics (35%), social

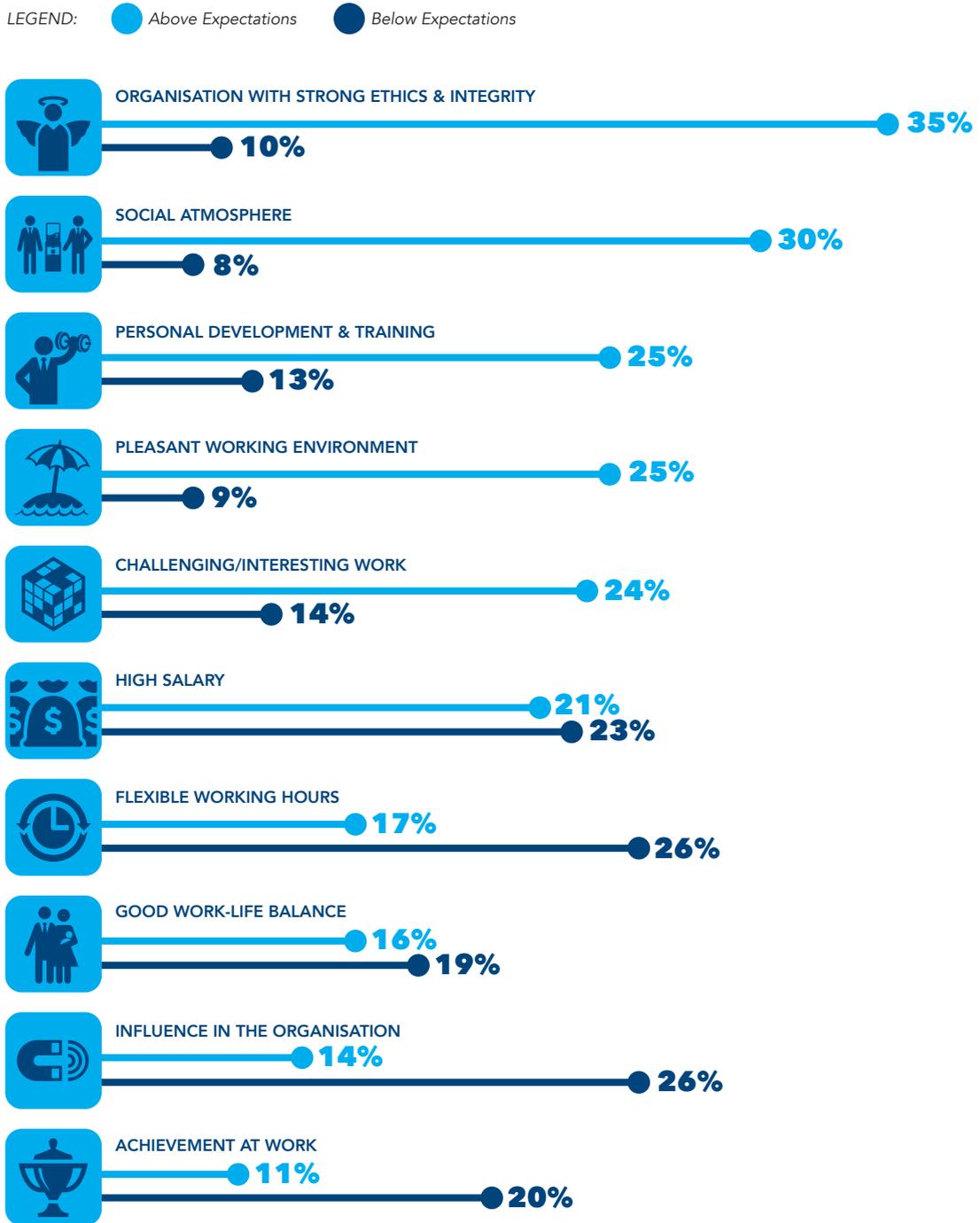
atmosphere (30%), an organisation they are proud to work with (26%), personal development and training (25%), pleasant working environment (25%) and independence at work (24%).

Organisations have been slow to respond to these needs resulting in an increasing gap between what Gen Y professionals want and what organisations are offering. Many organisations believe that salary and benefits drive a high performance culture. This report shows that Gen Y finance professionals in Malaysia place greater emphasis on independence at work and teamwork, rating these needs higher than their counterparts in the UK, India and the Middle East.

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FIGURE 5: MEETING GEN Y'S EXPECTATIONS OF WORK & THE WORKPLACE



04

DIFFERENT LENSES - GEN Y AND MANAGERS VIEW THEIR RELATIONSHIPS DIFFERENTLY

There is a lack of understanding between Gen Ys and managers when it comes to working relationships. The ideal boss according to Gen Y is a manager who fulfils the role of a coach or mentor. An overwhelming 60% of Gen Y professionals want a boss that is more of a mentor rather than a manager in the traditional sense. Young professionals in the UK, Middle East and India cited similar views. As a generation that is used to having hands-on guidance from parents and teachers, they see a leader as someone they can learn from and help them succeed. This implies that coaching and mentoring are important competencies for managers to demonstrate.

Findings from the research also suggest that both managers and Gen Y professionals have a different understanding of what coaching entails. About 45%

of managers aspire to be a coach or mentor; only 33% of them see their relationship this way. Yet at the same time, 48% of Gen Y professionals feel that their managers are fulfilling this role. Clearly, this is an area that organisations need to pay close attention to in order to bridge the generational gap. Organisations need to build a coaching culture that creates an engaged workforce and drives business performance. Emphasis should be placed on creating a collaborative work environment that promotes individual growth but at the same time encourages individuals to serve as a team member.

Only 23% of young professionals said they wanted their managers to be a friend, although the majority of managers (39%) believe that they are fulfilling this role (Figure 7) and 30% of managers believe that this is the ideal relationship (Figure 6).

An overwhelming 60% of Gen Y professionals want a boss that is more of a mentor rather than a manager in the traditional sense.

Emphasis should be placed on creating a collaborative work environment that promotes individual growth but at the same time encourages individuals to serve as a team member.

FIGURE 6: IDEAL RELATIONSHIP

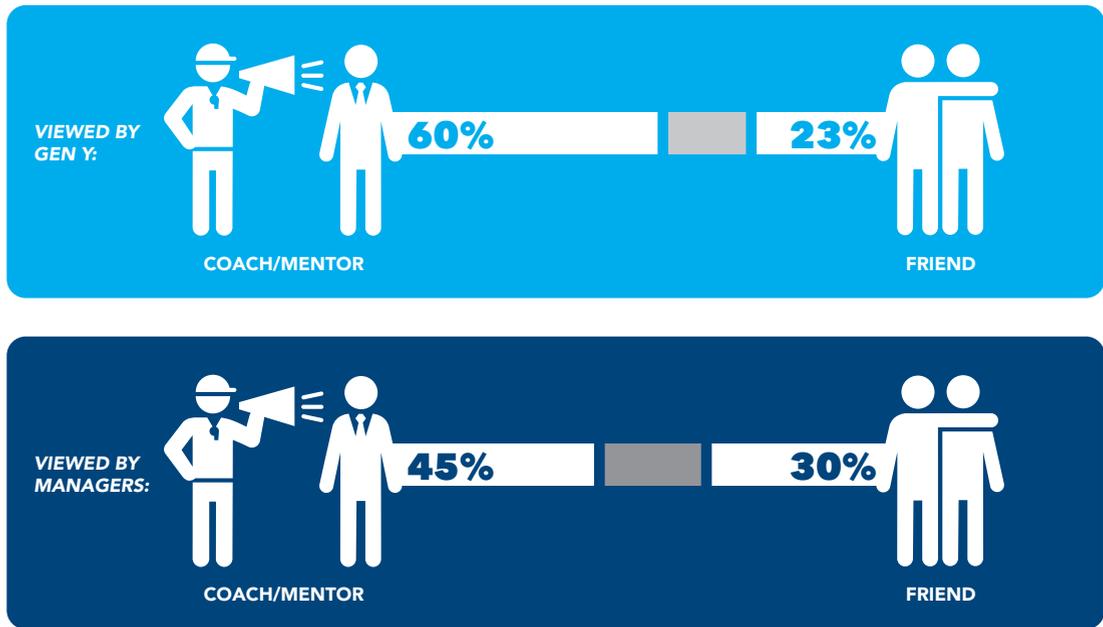
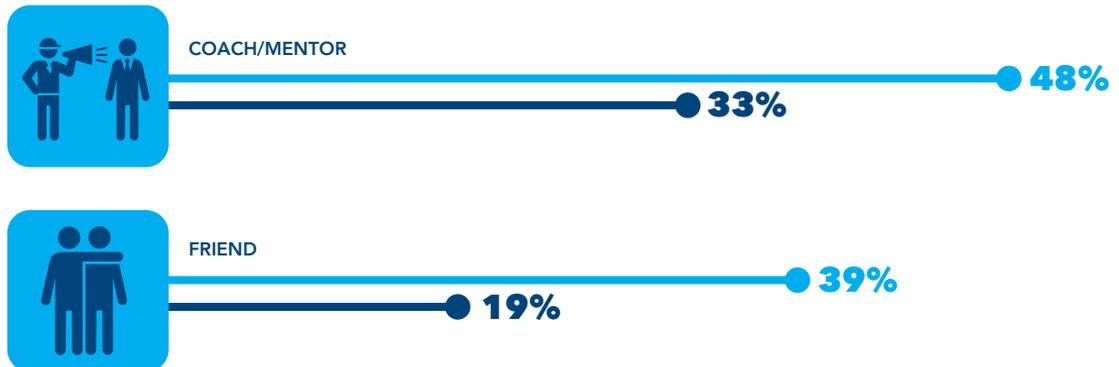


FIGURE 7: EXISTING RELATIONSHIP BETWEEN GEN Y'S AND THEIR MANAGERS

LEGEND: ● Gen Y ● Manager



05

JOB-HOPPING BEHAVIOUR - THE NEW NORMAL

The research found evidence of high levels of engagement at work amongst young finance professionals. About 63% said they are willing to go above and beyond their duty at work, 70% are proud to work for their employer, 68% would recommend their employer as a good place to work and 64% are personally motivated to help their organisation succeed (Figure 8).

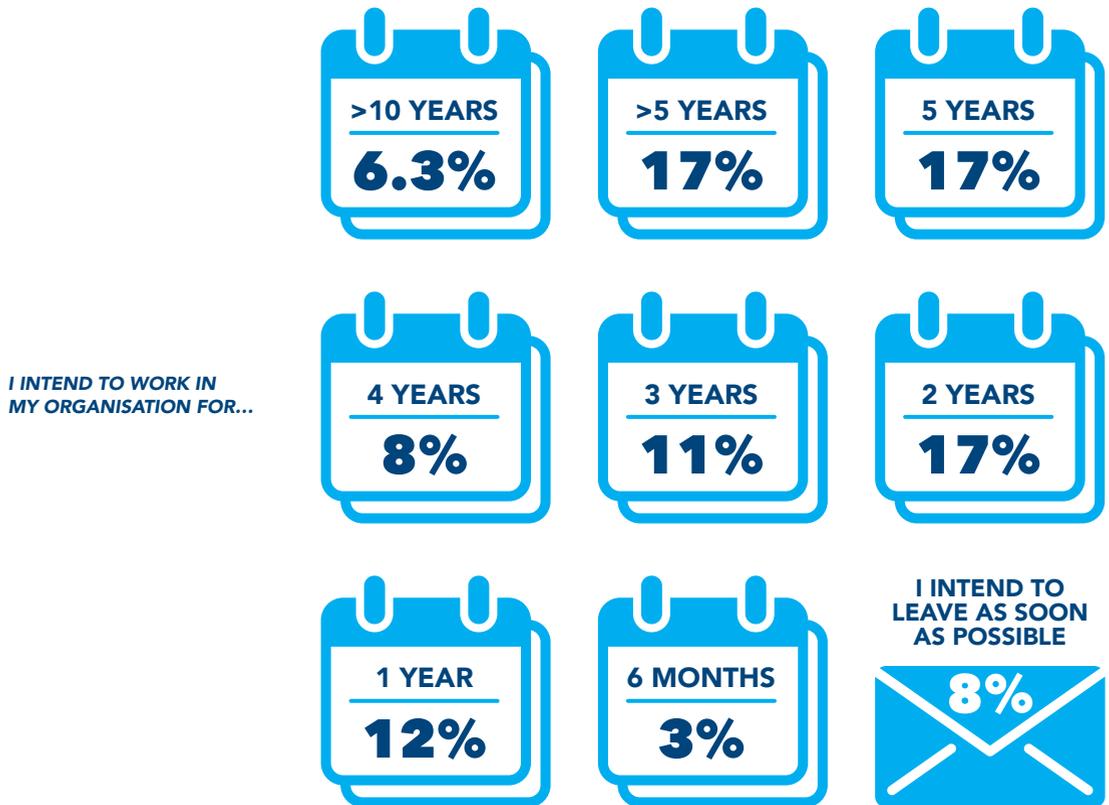
However, those who did not express satisfaction with their work or their employer appear more likely to job-hop. An overwhelming 41% of young finance

professionals say they only expect to be with their current employer for no longer than two years, with 8% intending to leave immediately (Figure 9). Similar findings were reported in the UK, US, Middle East and India. Of those who intend to leave their current job within the next two years, 80% said work had been below their expectations. A third of them (33%) said they are not proud to work for their current organisations and 31% feel that their work is not challenging or interesting enough. Another 28% are not happy with their current salary and 26% feel that they don't have a work-life balance.

FIGURE 8: ARE GEN Y PROFESSIONALS ENGAGED AT WORK?



FIGURE 9: CAREER INTENTIONS OF GEN Y



This fits with other research findings that Gen Y professionals are comfortable with change and are willing to job-hop in order to gain experiences that resonate with their work desires – challenging work, independence at work, teamwork, salary, career advancement and social connections. To Gen Y, mobility is the key to effective career development.

The findings provide several plausible insights. Firstly, current retention strategies may be construed as not effective, which may imply that organisations need to revisit or revise their current approach to talent management. Secondly, in order for retention strategies to be effective, emphasis should be placed on mobility aspirations of Gen Y.

To Gen Y, mobility is the key to effective career development.

Gen Y professionals are loyal but it is a new kind of loyalty - not the 'old fashioned, long-term and climb-the-ladder' kind of loyalty.

This is a generation that is driven by change, values "intellectual challenges" and constantly seeks development opportunities. Part of the retention strategy is to mentally stimulate these young professionals by providing them with non-repetitive tasks at work. Their penchant for job-hopping is often perceived as being disloyal. On the contrary, Gen Y professionals are loyal but it is a new kind of loyalty - not the 'old fashioned, long-term and climb-the-ladder' kind of loyalty. They are simply more mobile.

Although the findings demonstrate a trend towards short job tenure, there is still a proportion of Gen Y professionals (24%) who have been with their current employer between four and five years. About 17% of Gen Y professionals also said they would stay with the same employer more than five years and 6% for more than 10 years. This underlines the fact that Gen Y are loyal, and will stay with an organisation for the long-term as long as they continue to find their work engaging.

Results of the survey suggest that when the above-mentioned need is not met, Gen Y's employment relationship is short-term and transactional. They are more interested in exploring

career paths rather than locking into one that does not provide enough job satisfaction for the rest of their working experience. Their desire for job satisfaction also means a willingness to change jobs frequently as this is a generation that associates themselves more with the type of work they do than the organisation they work for.

Job-hopping is in fact the new norm in the employment world of Gen Y internationally. Studies on Gen Y around the globe show that the average Gen Y employee stays in one organisation for only two years, as they search for greater job fulfilment. This is significantly less than Gen X employees who are reported to have an average career of four years at each of their previous employers.

Employers often look at these job-hoppers unfavourably. More often than not, hiring managers would consider these job candidates with suspicion. However, as this phenomenon becomes the new norm in the work landscape, gone are the stigmas attached to job-hoppers – that they are disloyal, below-average performers. In fact, scepticism of job-hoppers is now being replaced by a new openness and a willingness to hire them as they are now seen as more adaptable and flexible.

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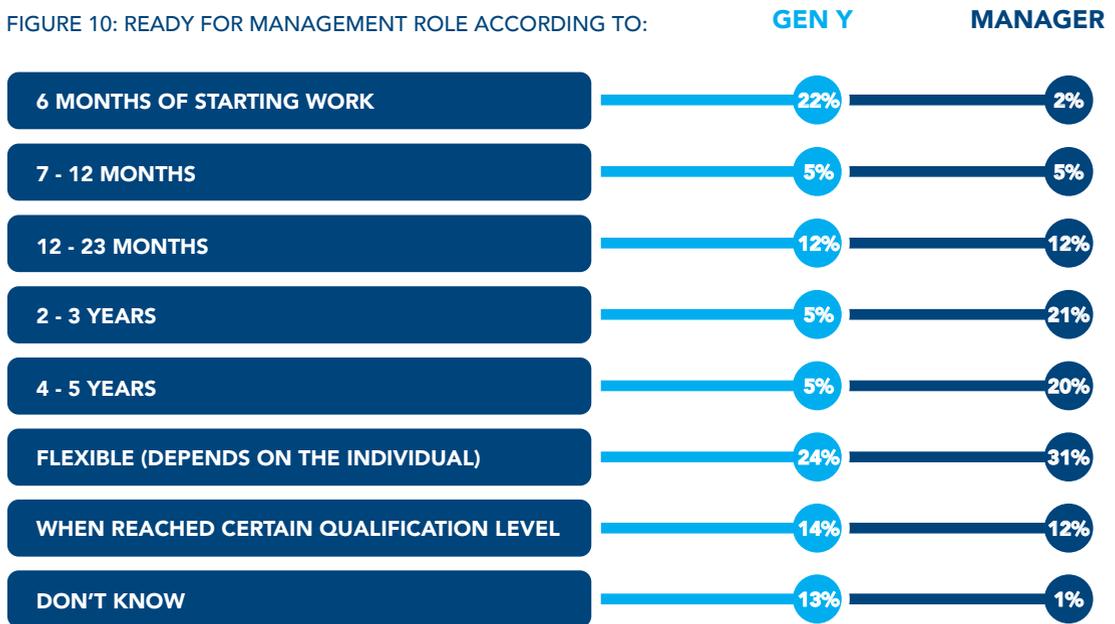
06

DESIRE FOR RAPID CAREER PROGRESSION

Gen Y professionals are said to be highly confident, ambitious and motivated individuals, and hence expect rapid career progression. This fact is substantiated by the findings that 39% believe they are ready for a management role within two years of starting work whilst 22% said within six months (Figure 10). Not only is this generation at ease with

moving between jobs, they also want to move quickly in terms of career progression. Having grown up in an age of instant gratification, they lack patience and have a strong view that anything is possible. This result is consistent with findings in the UK and India. Gen Y professionals in the Middle East, however, cited a longer time frame of four to five years.

FIGURE 10: READY FOR MANAGEMENT ROLE ACCORDING TO:



39% believe they are ready for a management role within two years of starting work whilst 22% said within six months.

About 20% of these young professionals reported that they are dissatisfied with career advancement in their current organisation.

Studies suggest that Gen Ys grew up with a sense of entitlement and high self-esteem as a direct result of reinforcement and praise they received from their parents and teachers early in their life. When translated in adulthood and transferred to their career development, Gen Y is driven by these values in the workplace. Hence, they expect to climb the corporate ladder at a rate that is considered unreasonable by their co-workers of other generations.

Their managers believe that these young professionals have unrealistically high expectations for career advancement due to a false sense of entitlement and an overinflated sense of their skills and abilities. Only 2% of managers agreed that Gen Y is ready for a position in management within six months of working whilst the majority of them (41%) believed that young professionals would have to wait between two and five years before assuming a management role. To the managers, this is the ideal time frame to gain the necessary experience required to develop a deep understanding of the business and the wisdom to make informed decisions. Hence, Gen Y's expectation of a rapid rise to management poses a potential challenge for their managers.

About 20% of these young professionals reported that they are dissatisfied with career advancement in their current organisation. This has huge implications on retention strategies. Since Gen Y

professionals are clear and confident about their career progression, they will move to an organisation that is willing to provide them with a bigger role and more responsibilities if their organisation cannot focus on developing leadership effectively.

How do managers interact with these young professionals who believe they are ready to progress faster than what managers believe? This requires managers to be very explicit in communicating to Gen Y what is expected of them to succeed in their career without dampening their enthusiasm and ambition. Managers can work with Gen Y to develop a clear career development plan that is needed to fulfil Gen Ys professional goals but at the same time remains challenging.

The findings of this research also showed that professional development is a huge priority for Gen Y and thus a major driver of employee engagement. It is important for managers to show that they care about Gen Ys development by emphasising their responsibility to help these young professionals grow and succeed. A number of financial institutions have offered 'fast-track' programmes as part of their retention strategy aimed squarely at Gen Y demographics. Such accelerated progression pathways enable these young high flyers to fast-track their career through a competency and merit-based system of performance management.

It is important for managers to show that they care about Gen Ys development by emphasising their responsibility to help these young professionals grow and succeed.

07

WORK-LIFE BALANCE

Gen Y finance professionals seem to have more work-life balance than their managers. Half of these young professionals also felt they are able to maintain a healthy work-life balance between work and personal lives. This is in contrast with a majority of their managers (60%), who said that they spend between 50% and 70% of their lives working, including during weekends.

These young professionals tend not to bring work home and even if they do so, it is less frequent. However, as a generation that grew up with technology and instant access to the Internet, Gen Y is adept at working outside the workplace. These conveniences have also made multi-tasking second nature to Gen Y, nurturing a generation that is driven to “work smart” rather than “work hard”. As such, only 16% of Gen Y professionals claimed to take work home at least once or twice a week and only 3% four to five times a week. Their managers, on the other hand, have no qualms about taking

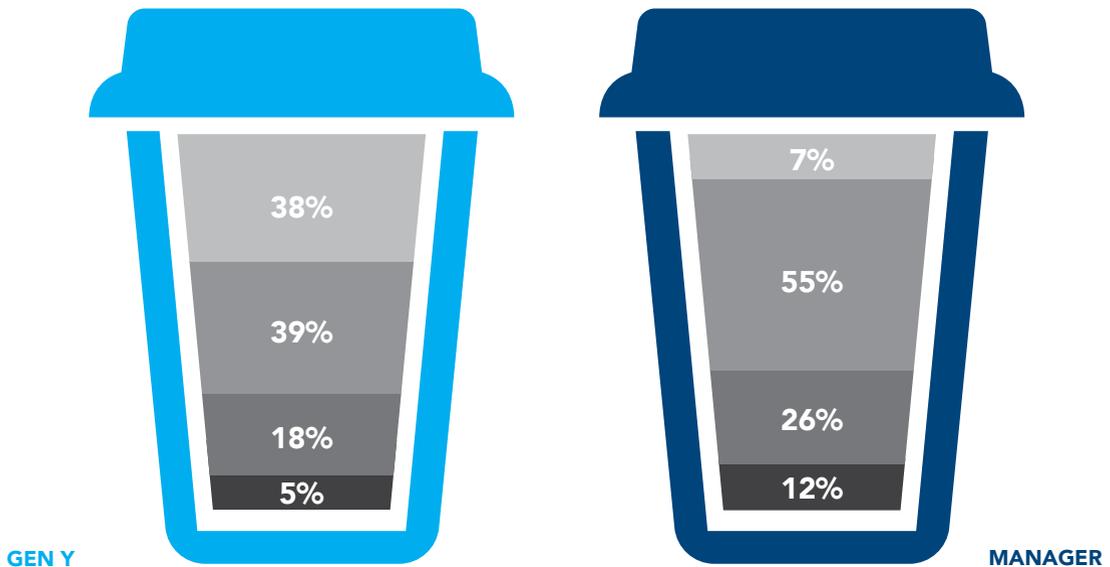
work home with them. As a generation that “lives to work”, many managers bring work home in the evening and at weekends - 34% at least once or twice a week while 24% four to five times a week. Similarly, the majority of managers surveyed in the Middle East (46%) and India (39%) always do work tasks at home, for instance, around four to five times a week.

Additionally, the majority of the Malaysian Gen Y professionals surveyed said they (38%) are never ‘switched on to work’ after office hours, while only 7% of managers are able to do so (Figure 11). About 12% of managers are always switched on to work outside the workplace while 26% said they are often consumed with thoughts of work when they are not at work. This figure is higher in the UK and Middle East where 49% and 44% of managers, respectively, claimed that they are always ‘switched on to work’ when at home.

These young professionals tend not to bring work home and even if they do so, it is less frequent.

FIGURE 11: TIME SPENT BEING SWITCHED ON TO WORK WHEN NOT AT WORK

LEGEND: Never Sometimes Often Usually/Always



Also as a result of their exposure to technology, Gen Y professionals are more prone to doing non-work activities during working hours than their managers. Findings suggest that Gen Y professionals are as comfortable doing personal activities at work as they are with doing work-related business after office hours, as being constantly tethered to

technology blurs the line between work and personal time for these young professionals. According to the survey, about 16% of Gen Y professionals are engaged with personal business during the workday at least once or twice a week, compared to 2% of managers.

Gen Y professionals are as comfortable doing personal activities at work as they are with doing work-related business after office hours.

08

MISSING SKILLS

Gen Y professionals and their managers recognise that the weakest point for any young executive is work experience. Both selected this as the top area of missing skills - 48% of Gen Y and 37% of managers. Similar results were reported in the UK, Middle East and India (Figure 12). After work experience, young professionals in Malaysia think that they lack qualifications (37%) and communication skills (27%). Managers differ in their views as they feel that young executives lack interpersonal skills (31%) and enthusiasm (28%).

Unlike young Malaysian executives, executives in the UK and India chose 'leadership skills' and 'technical and professional knowledge' as areas in which they were second and third-least proficient. In the Middle East, 'technical and professional knowledge' was scored second while 'foreign languages' came in third. For managers in the UK, India and Middle East, 'leadership skills' and 'communication skills' are the most important skills that Gen Ys lack after 'work experience'.

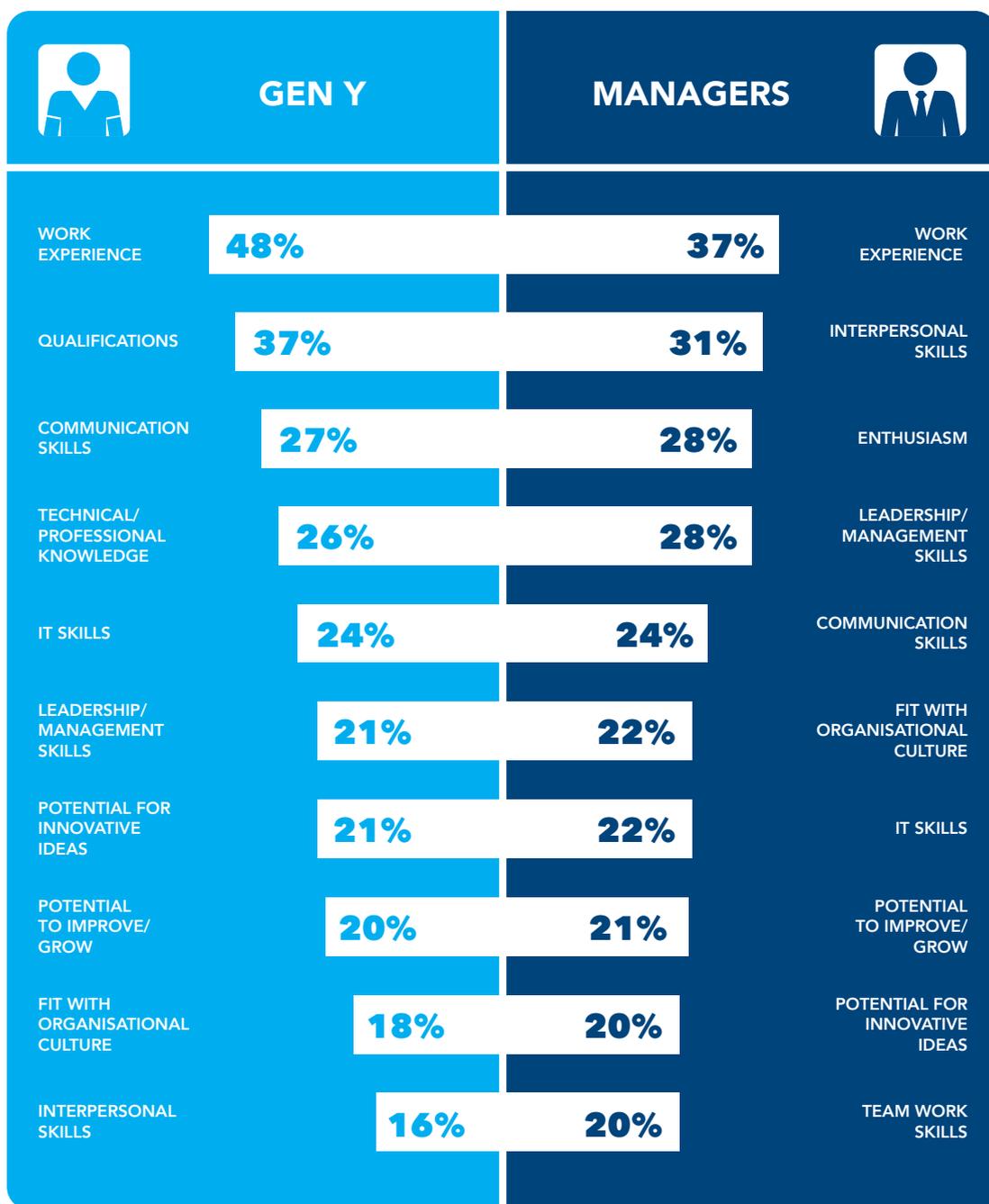
Gen Y professionals are well aware of their lack of experience as evidenced above, and acknowledge the increasing demand for experience. This concern

is also reflected in their answers when asked what advice they would give to new graduates or executives - 20% agreed that work experience was the most important attribute. This is followed by willingness to learn, having clear goals and being hardworking. Gen Y professionals in the UK also cited 'work experience' as the most important advice they would give to new graduates, while young executives in the Middle East and India said it was 'be patient and persistent' and 'be willing to learn', respectively.

Interestingly, managers think that the biggest challenge in managing Gen Y professionals is developing their missing skills (45%). Other key challenges are managing differences between age groups (36%), motivating young executives (36%) and attracting and retaining young professionals (34%). The biggest challenge cited by managers in India is attracting and retaining young people. In the Middle East, it is motivating young people while managers in the UK rate 'managing expectations of new executives' as, by far, the most challenging for them. Clearly, managers are finding it difficult to engage their younger co-workers and adapt their approach to make the most of Gen Y's strengths.

Managers are finding it difficult to engage their younger co-workers and adapt their approach to make the most of Gen Y's strengths.

FIGURE 12: TOP 10 MISSING SKILLS IN YOUNG EXECUTIVES AS VIEWED BY GEN Ys AND MANAGERS



Note: The figures relate to the percentage of the Gen Y professionals/managers placing attributes in their top 3.

CONCLUSION

While the research indicates that Gen Y finance professionals are engaged at work, findings also suggest that they are concerned about career progression. Gen Y finance professionals want to be coached, and not managed in a traditional way. Hence, the traditional hierarchical approach to management appears to be less effective in engaging and retaining them. These young professionals seek a mentor who can turn their energy and desire for development into productive learning.

Organisations need to engage, enrich and empower this generation at work, and provide them with a clear career plan where they can expect to grow. However, engaging them cannot be done by merely offering a checklist of programmes, but rather by creating challenging work that allows them to make a real contribution to the organisation.

Work that is not fulfilling to Gen Y will lead them to job-hop, although they will remain with an organisation for the long-term provided they continue receiving satisfaction from their work. As a result, organisations need to recognise Gen Y's priorities at work while at the same time set realistic expectations of their career paths and advancement opportunities.

