

For immediate release

GENERATION Y AND THEIR BOSSES AT THE WORKPLACE

Empirical study reveals cross-generational differences, stereotypes

Singapore, 18 March 2009 – A study, by leading staffing and HR consultancy The GMP Group and Temasek Polytechnic, has revealed differences in preferences, attitudes and beliefs between younger workers (Generation Y¹) and their more senior colleagues (Other Generations²) at the workplace. The study also uncovered lingering stereotypes of Generation Y by their bosses.

As perceived by the Other Generations, Generation Y has a poorer work ethic and work overtime because of a backlog of work rather than a desire to get the work done. They also think that Generation Y spends less time at work as compared to Generation Y's self-perception of their own working hours. Compared to what the Other Generations think, Generation Y also has different views in terms of what motivates them at the workplace and the qualities they wish to see in their leaders.

While Generation Y wants their bosses to be caring, inspiring and competent (with 'caring' and 'inspiring' being more people-oriented attributes), their bosses believe that it is more important to be competent, honest and forward looking (more task-oriented attributes). Similarly, Generation Y views intangibles like 'good work-life harmony' and 'good relationships' as among the top motivating factors for retaining them while their bosses believe that 'learning and development' and 'compensation' are more important.

This study – '***Y are they different? A study of Gen Y at work, their views and how they are viewed***' - was jointly-conducted by The GMP Group and Temasek Polytechnic's School of Humanities & Social Sciences. The study was undertaken to obtain empirical data on issues which could potentially be sources of conflict for Generation Y and their superiors. The objective was to provide employers with a better understanding of these issues and how they could be resolved. The accompanying report provides suggestions for companies to bridge the perception gap and achieve synergy for positive organisational outcomes.

Field work for the study was conducted in November and December 2008, with 2,610 participants in Singapore surveyed. These included working adults, and students from four universities and five polytechnics.

The report has four main areas of focus, namely Generational Diversity in Today's Workplace, Recruiting and Retaining Generation Y, Work-life Harmony and Leading Generation Y.

Generational Diversity

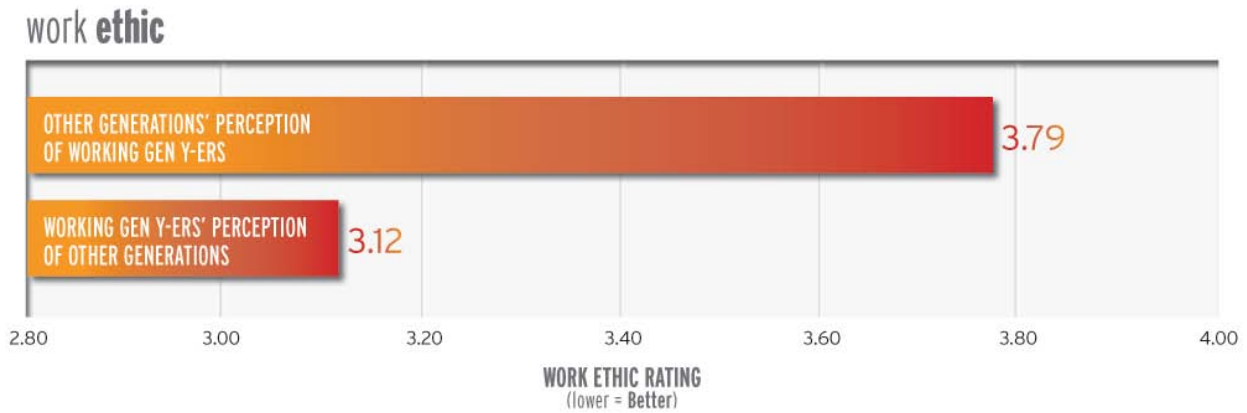
The study explored Generation Y and the Other Generations' perception of each other's work ethic, defined as the degree of commitment and enthusiasm towards work. The Other Generations were found to have a less favourable perception of Generation Y's work ethic, as compared to Generation Y's perception of the Other Generations' work ethic. See Chart 1.

¹ Defined as those born in 1981 or later

² Defined as those born in 1980 or earlier

Commenting on this finding, Josh Goh, senior manager of The GMP Group, said: "Where such perceptions exist, it is important for companies to examine their validity, bearing in mind the detrimental impact that unfounded stereotypes and biases may have on generational harmony at the workplace."

Chart 1



Source: 'Y' are they different? A study of Gen Y at work, their views and how they are viewed

The study however uncovered similarities in perception of organisational bias by both Generation Y and the Other Generations. Perceived organisational bias refers to unfair treatment accorded to individuals because of their age. Both groups in the study perceived their organisations to be equally fair to employees, regardless of age. See Chart 2.

Chart 2



Source: 'Y' are they different? A study of Gen Y at work, their views and how they are viewed

Recruitment and Retention

Despite indications of difficult economic conditions at the time of the study (Nov-Dec 2008), Generation Y still expected higher starting salaries compared to what fresh job entrants obtained in 2007. The increase was 3% for university graduates and 10% for polytechnic graduates. See Chart 3.

Chart 3

RESPONDENT GROUP	EXPECTED GROSS MONTHLY SALARY (S\$) IN END 2008	GROSS MONTHLY STARTING SALARY (S\$) OF GRADUATES IN 2007*
University Student/Graduate	2,957	2,867
Polytechnic Student/Graduate	1,987	1,805

Source: 'Y' are they different? A study of Gen Y at work, their views and how others view them
*Based on statistics from the Ministry of Manpower (2008)

Mr Goh said: "We would expect that salary expectations of these students would have adjusted downwards since the study as the employment situation has deteriorated further in the last quarter. GMP is advising fresh graduates to expect salaries of as much as 15% lower than 2007 levels."

In terms of retention strategies, Generation Y and the Other Generations differed in what they thought would encourage Generation Y to remain with the organisation. Generation Y said they want opportunities for career advancement, good work-life harmony, and good relationships while the Other Generations rated their organisations' most-utilised retention strategies as opportunities for career advancement, emphasis on learning and development, and good compensation. See Chart 4.

Chart 4

TOP FACTORS THAT MOTIVATE GEN Y TO STAY IN ORGANISATIONS	RETENTION STRATEGIES MOST UTILISED BY ORGANISATIONS
1. Opportunities for career advancement (63%)	1. Opportunities for career advancement (43%)
2. Good work-life harmony (41%)	2. Emphasis on learning & development (37%)
3. Good relationships (40%)	3. Good compensation (24%)

Source: 'Y' are they different? A study of Gen Y at work, their views and how they are viewed
* Numbers in parentheses reflect percentage of respondents who selected this as a preferred strategy.

This finding suggests that while organisations are on the right track when it comes to retaining Generation Y with the provision of career advancement opportunities, other often-used retention strategies, including compensation, may not be as effective.

Commenting on the relevance of this finding, Mr Chua Ping Tzeun, who led the Temasek Polytechnic research team, said: "Under the current economic conditions, organisations may be placing more importance on the issue of downsizing and retrenchment. However, it does not diminish the fact that having the right person with the right knowledge, skills and attitudes for the job will provide organisations with the competitive edge to weather the economic downturn. Our report provides suggestions about the various retention strategies that organisations can implement."

Work-life Harmony

Both Generation Y and the Other Generations held a slightly negative view of the degree of work-life harmony in Singapore. Their survey ratings indicated that they "disagreed slightly" with the notion that "in general, there is work-life harmony in Singapore".

Generation Y reported working an average of 9.2 hours on a typical workday, longer than the usual contracted hours of 8 to 8.5 hours. However, bosses (from the Other Generations) perceived that Generation Y works an average of 8.8 hours, less than the 9.2 hours claimed. See Chart 5.

This generational difference in perception is also reflected in how the two groups differ in their view of why Generation Y has to work overtime. Generation Y said that they put in longer hours in their desire to get the work done, but the Other Generations think that the overtime is due to a backlog of work. See Chart 6.

Chart 5

RESEARCH QUESTION	WORKING GEN Y-ER'S SELF-REPORTED...	SENIOR EMPLOYEES/EMPLOYERS' PERCEPTIONS OF GEN Y-ERS'
...Contractual Hours	8.3hrs	8.4hrs
...Actual Hours Worked	9.2hrs	8.8hrs

Source: 'Y' are they different? A study of Gen Y at work, their views and how they are viewed

Chart 6

RANK	WORKING GEN Y-ERS' MOST COMMON REASON FOR WORKING OVERTIME	MOST COMMON REASONS WHY OTHER GENERATIONS PERCEIVE GEN Y WORKING OVERTIME
1	Own desire to get work done	Backlog of work
2	Employee's workload constantly heavy	Employee's workload constantly heavy
3	Temporary increase in workload	Temporary increase in workload

Source: 'Y' are they different? A study of Gen Y at work, their views and how they are viewed

Mr Chua said: "Overall we found that across age groups, Singapore workers put a high premium on the importance of working in a company that values work-life harmony, although they expressed that this ideal is still somewhat lacking in Singapore. As the economy deteriorates, so may employees' experience of work-life harmony because companies may call upon their employees to take on more duties and responsibilities at the expense of non-work pursuits.

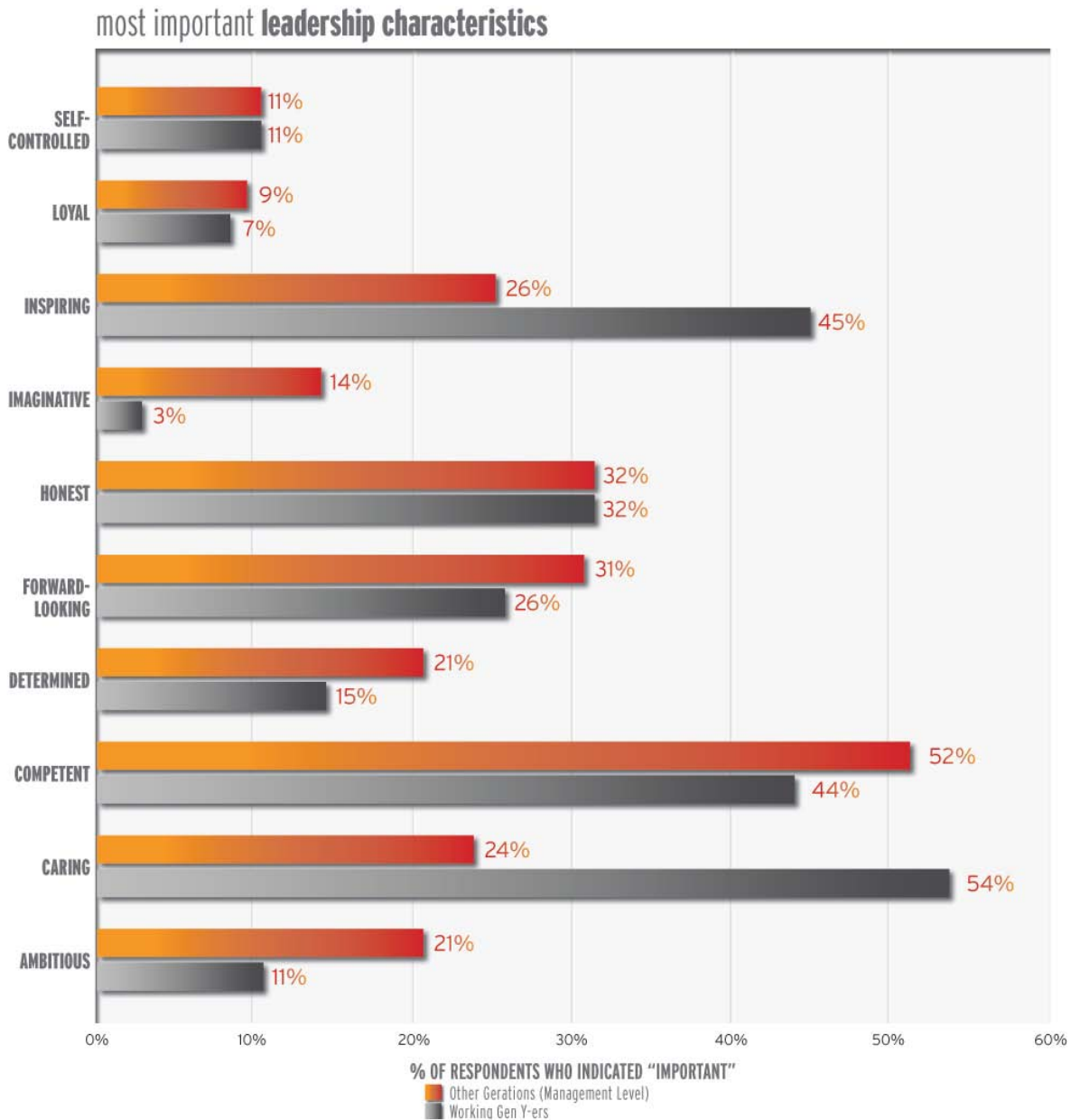
"Although such measures may be necessary, companies should not neglect the issue of work-life harmony altogether. This is because research has shown a link between work burnout and negative consequences such as poorer physical and psychological health, reduced performance, absenteeism and intentions to quit. Hence, it is important for companies to identify ways to help employees manage their workload and achieve a greater degree of harmony between their work and non-work domains. The benefit for companies will come from reduced costs associated with inefficient work and poor health, as well as employees' continued loyalty beyond the economic crisis."

Leadership

The research also asked Generation Y what leadership qualities they want their superiors to have, and compared this with what the Other Generations felt were important qualities they themselves needed to demonstrate.

Generation Y believed that it is most important for their leaders to be caring, inspiring and competent. On the other hand, managers from the Other Generations believed in demonstrating competence, honesty and a forward-looking orientation. The overall pattern of results suggests a gulf between Generation Y's expectations, and their managers' beliefs about how to lead them. Generation Y prefers more relationship-oriented leaders, while their managers believe in demonstrating a relatively more task-oriented approach to leading them. The widest areas of mismatch are 'caring' (Gen Y – 54% vs Others – 24%) and 'inspiring' (Gen Y – 45% vs Others – 26%). See Chart 7.

Chart 7



Source: 'Y' are they different? A study of Gen Y at work, their views and how they are viewed

Conclusion

Workplace tensions can be minimised with a better understanding of potential issues of conflicts and the mindsets that groups of employees may have.

Mr Goh said: "Our research has shown that similarities and differences exist between Generation Y and the Other Generations. Where views are divergent, they may be the result of entrenched mindsets that reinforce impressions of certain stereotypes. In the long run, this can lead to misunderstanding and unhappiness at the workplace.

"A shift in mindset is the most effective way to resolve issues. Generation Y should adjust their expectations and not expect employers to accommodate their every point of view. So, while it is important for the Other Generations to understand that Generation Y prefers a people-oriented approach at the workplace, Generation Y should acknowledge that this is not always practical in a competitive work environment.

"Similarly, employers (Other Generations) should appreciate Generation Y's preferences and the factors that motivate them. By doing so, they can structure HR strategies such as those for retention that are more attractive to Generation Y and thereby achieve better success in terms of employee satisfaction and loyalty.

"Ultimately, nothing beats keeping the doors of communication open. Honest two-way dialogue contributes towards removing negative perceptions and helps pave the way for mindset shifts. Over time, this enhances the common ground between groups and improves relationships at the workplace."

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The GMP Group

Founded in 1991, The GMP Group is one of Asia's leading staffing and human resource consultancies. Since its inception, the group has progressed to become a regional human capital solutions provider across all industries. With six specialist divisions dedicated to providing industry-specific HR solutions, GMP prides itself as a truly 'one-stop' solution. Today, GMP is headquartered in Singapore with offices in Hong Kong, Malaysia, Shanghai and Thailand. The group's extensive network and comprehensive services once again reaffirm GMP's role as one of the most dynamic staffing professionals in the region. For more information, please visit www.gmprecruit.com

Temasek Polytechnic

Established in April 1990, Temasek Polytechnic (TP) is a significant contributor to the field of para-professional education in Singapore. It is a pioneer in Problem-based Learning (PBL), which forms the cornerstone of the Polytechnic's educational philosophy to prepare school leavers adequately for the world of work and a future of dynamic change. The Polytechnic is a firm believer in forging partnerships with industry to keep students close to current industry practices. TP currently offers 50 full-time diploma courses in the areas of Applied Science, Business, Design, Engineering, Informatics & IT and Humanities & Social Sciences. It offers over 30 part-time courses, up to the Advanced Diploma level. For more information, please visit www.tp.edu.sg

Temasek Humanities & Social Sciences School

The Temasek Humanities & Social Sciences School (HSS) is the newest School to be established at TP, adding a new dimension to the wide spectrum of courses offered. HSS adopts a multidisciplinary approach and aims to offer courses in humanities and social sciences with a focus on people-oriented specialisations. The school promotes a broad-based and holistic curriculum that will prepare students to meet the needs and face the challenges of a rapidly-changing world. The team of dedicated academic staff from a broad industry background ensures the quality of the programmes on offer. It is the ultimate aim of HSS to help each graduate make a difference in his or her chosen career. For more information, please refer to <http://www-hss.tp.edu.sg/>

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