

**LOVE THEM OR HATE THEM - GENERATION Y IS HERE TO STAY**

**Melbourne, March 16 2007** - In one of the largest studies conducted on Generation Y in Australia, Drake has found 86% of Generation Y (born between 1980 and 1994) expect to be promoted within two years, 63% stay less than two years with an employer, and over half (52%) think it's easy to find a new job.

Released today, the independent research which comprised a national survey of 3,000 Australians and a series of in-depth focus groups, paints a revealing picture of a new type of employee emerging with very different attitudes and motivations than previous generations.

With the proportion of Generation Y (Gen Y) employees set to double from 20% to 40% of the Australian workforce in just five years, and baby boomers beginning to retire meaning more people will leave the workforce than enter it by 2008, Australia is experiencing the biggest generational shift in six decades.

Drake's organisational psychologist Stephanie Dinnell warned HR Managers who aren't up to speed on what drives and motivates Generation Y will lose significant competitive advantage amid a tight labour market.

"The rule books have been rewritten when it comes to attracting, selecting and retaining Generation Y," explained Ms Dinnell. "Job advertisements need to be eye-catching and convey a sense of fun, interest and variety. They're best placed on online job boards as that's where Gen Y's tend to look.

"The application process also needs to be straightforward otherwise Gen Ys are likely to pass over it," Ms Dinnell added. "Most importantly, HR Managers need to make sure they have best practice selection methods in place to ensure they hire the right Gen Y employee first time, every time. Gen Ys are notoriously interview savvy and know how to 'razzle-dazzle' employers."

Ms Dinnell stressed that failing to attract and retain the right Generation Y employee could have serious consequences on a business, given it takes on average 18 months to achieve a return on investment (ROI) from a new employee. Furthermore, losing a staff member can

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cost up to 150% of that person's annual salary, which in real terms amounts to \$60,000 on an average income of \$40,000 a year.

To provide HR Managers with insight on Generation Y, Drake has released a white paper titled: 'Generation Y – attracting, engaging and leading a new generation at work', which outlines the key findings of its research, such as:

- 90% would stay longer in their job given the right training and development;
- Nearly half (48.7%) have already had three career changes and five jobs;
- 42% placed 'relationship with peers' as one of the top three reasons for getting or keeping their job;
- 42% cited poor management and leadership as the main reason they left previous roles;
- Richard Branson, Donald Trump and Bill Gates are the business leaders they admire the most;
- 97% valued a leadership style that involves empowerment, consultation and partnership;
- 77.4% rated honesty, reliability and authenticity as the three qualities they value most in their managers; and
- Money is not the strongest motivator for Gen Y, as long as it's competitive and fair.

Ms Dinnell said Generation Y is a largely misunderstood generation, commonly described as fickle, transient and self-focussed when in fact they're also highly educated, ambitious, highly motivated, and can deliver enormous value to a business.

"Before HR Managers can effectively attract and retain Gen Y, they first need to understand what makes Gen Y tick," Dinnell said. "Gen Y employees are technologically savvy, innovative and entrepreneurial so may well exceed in product development and sales roles. They will also challenge the way things are done, which can lead to improved processes and services. In short, Gen Y's are good for business.

"And while Generation Y is perceived as lacking loyalty, they are just a reflection of their times characterised by high employment, economic growth, personal optimism and more career opportunities," Ms Dinnell said.

Ms Dinnell added that many young people leave jobs not because there is a compelling reason to leave, but because there is no compelling reason to stay.

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“Generation Y’s like companies that provide well-rounded and evolving opportunities which includes professional growth and development, work life balance, variety, social interaction, responsibility, reward and recognition,” Ms Dinnell said.

Interestingly, Drake’s research showed Generation Y’s don’t necessarily want a workplace full of people their own age. 32% preferred colleagues to be of all different ages, with a further 35.1% stating age didn’t matter at all.

“Where possible, companies should try and create a culture where interaction can take place, where Gen Y’s can better connect with older staff and customers. In today’s generationally diverse workplace, age is just a number. Rather it’s about mindset.

“Younger people are also attracted to flexibility in role and work practices such as job rotation, unpaid leave, time in lieu and work from home options. Variety is the spice of working life for Gen Y.

“Companies should also ensure remuneration packages are up-to-date and in line with market rates. As long as it’s fair and competitive, other motivators will be more important for Gen Y employees.

“Managers need to be authentic and able to ‘walk the talk’. Gen Y’s are cynical of leaders who don’t live up to company and societal values.

“HR Managers cannot afford to ignore Generation Y. It’s time to get down to the business of successfully working with this up and coming generation, or risk being left behind,” said Ms Dinnell.

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Interview opportunities and high-resolution images of Stephanie Dinnell are available on request.

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### **About the research**

The quantitative study comprised more than 3,000 people, and in-depth focus groups with 32 Generation Y's. The research benchmarked the findings of Generation Y against older generations, and is referenced against latest ABS data. It is one of the largest and most current analysis of Generation Y.

The research was conducted by independent social researcher Mark McCrindle (MA, BSc. (Psychology)), who specialises in research into generational diversity.

### **About Drake**

Drake is a leading provider of staffing solutions that solve business problems for Australian organisations. Established in Canada in 1951, Drake operates in 11 countries around the world.

More than a recruitment company, Drake is recognised as a world leader by business decision makers, for its expertise in enabling organisations to improve their profitability and productivity through flexible staffing, permanent recruitment, training and development, and by using innovative technologies.

Drake's extensive network of services meets the diverse needs of the market and is geared towards solving real business problems for Australian organisations. In its 52 year history, Drake's business philosophy has remained unchanged – invest in your people today so they can grow your business tomorrow and into the future.