

Engaging with 21st Century Graduates:

Graduate Employment Study



background

This summary paper is based on Mark McCrindle's ongoing generational research, and from research groups of those on, or having just completed a Graduate Program at a large employer.

Studies such as this one into the attitudes and workplace expectations of new graduates are necessary because of the increased competition for talent. The employment choices available for graduates, combined with the changing Australian age demographics add to this challenge.

The graduate program and this study focus on the older edge of Generation Y (with the findings relevant to the younger edge of Generation X too):

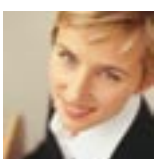
Australia's Generations - The Definitive Classification

description	born	Age	Pop'n (mill)	(% of Pop'n)
Builders	Before 1946	61+	3.5m	17%
Boomers	1946–1964	42 – 60	5.3m	26%
Generation X	1965–1979	27 – 41	4.4m	21.5%
Generation Y	1980–1994	12 - 26	4.2m	20.5%
Generation Z	1995 – 2009	Under 12	3.1m	15%

ABS Population Pyramid 2006 & McCrindle Research Study 2006

participants

Mark McCrindle facilitated focus groups of those who had been in Graduate Programs at some large organisations, as well as those who were currently on such programs. Some direct quotes of participants have been used in this paper.



findings

A key finding from this research is that today’s graduates feel empowered with options, and are unlikely to gratefully accept an employment offer, or dutifully remain in a position where they don’t connect with the management and workplace culture.

The overall responses of graduates concerning their graduate programs and their experience were very positive. The opinions expressed throughout the focus groups highlighted their high regard for their organisations, and their employment there.

What attracted you to the organisation? What do you most like here?

Indicative quotes:

- “The reputation of (the organisation)...it’s a great foundation”
- “The experience people have here...there are lots of really smart people...”
- “The (work)-life balance is good here”
- “Not too stressful...”
- “Interesting work”
- “The prestige (of the employer)”

Most of the subsequent discussions centred on areas that could be improved to make the organisation a better place for them to work. The concerns raised, and suggestions given are worth heeding as they do point to generational differences and changing attitudes to the workplace.

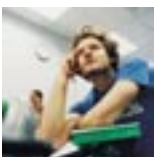
Exit Interviews

The two key areas where the graduates expressed some disconnection, and at the same time some very positive opinions concerned the workplace culture, and the management style.

An analysis of exit interviews conducted by the employer of those leaving their employment within the first 3 years of their career were in alignment with this current research in showing that while there were many areas of satisfaction, there were some recurring themes worth assessing.

Exit Interviews: Sources of Satisfaction

- Working hours
- Salary and benefits
- Quality of supervision
- Level of responsibility
- Excellent training



Exit Interviews: Sources of Dissatisfaction

- Job rotation (not enough/too infrequent)
- Job content (not enough/too repetitious)
- Long-term career path (promotional opportunities too limited/uncertain)
- Supervision (insufficient/infrequent/too technical-focussed rather than team-focussed)
- Job rotation/nature of duties (irregular rotations/ad hoc)
- Work Culture (political/hierarchical/inequitable recognition across sections)

Workplace Culture

Workplace culture: Positives

Indicative quotes:

- “It is a relaxed environment”
- “Casual Friday’s (relaxed dress code)”
- “No weekend work”
- “I like the autonomy...you are trusted here”

So while income is crucial to a generation with HECS debts, and high levels of personal loans and credit, they also value a balanced life. They seek new experiences; cherish friendships, and value freedom over finances. Having seen their parents achieve a great standard of living but pay for it through stress, broken relationships, health concerns, and long hours, today’s graduates have pronounced it a bad deal. Masses of them are turning down jobs, or overtime that encroaches on their social time, regardless of the pay on offer.

Some of the comments in the discussions highlight some areas of the culture that didn’t connect as well with this generation:



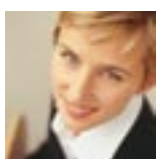
Workplace Culture: Social/Peer connections

Opinions expressed:

- The lack of peer support, and a feeling of being a little isolated
- The over-reliance on their boss when there was a preference to be able to ask a peer or staff member a few years ahead of them in the organisation.
- A desire for more formal, or facilitated programs and even social events so that they could get to know others at their level, and particularly in different sections and departments.



New graduates are not only at a life-stage where social connections are desired, but also the changing community outside work further necessitates good peer connections at work.



Management

As with the discussions on the workplace culture, there were positives raised here:

Management: Positives Indicative quotes

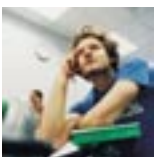
- “You feel really well looked after (Remuneration, health policies, Super etc)
- “There is a clear chain of command”
- “There is a lot of training on offer (including people skills/soft skills training)”
- “(Management’s) expectations are well set out”
- “They give us a lot of responsibility so early (in our career)”

Generation Y are the most formally educated generation ever. High school retention rates to Year 12 have more than doubled since the early 80’s when they hovered around 35%. And over this time the number of school leavers going on to University study has increased by 80% (ABS Youth Australia Report, www.abs.gov.au). However of even more relevance than this being the most formally educated generation ever is the leadership education they are leaving school with. Since the mid 1990’s, there has been a massive expansion in the number of leadership development courses, seminars, and curriculum areas focussed on developing their personal and interpersonal leadership skills. They are empowered with leadership skills and aspirations however they are looking for mentors to guide them through their early career.

Management: Structures Opinions expressed:

- The formality and hierarchy while anticipated were found to be repressive.
- Not having had the opportunity to meet (at all, or regularly) senior managers symbolised the hierarchy.
- The feeling that the bosses that they “worked for” were “invisible”.
- The physical stratification of the staff: “Senior managers don’t walk around the floor”.
- The top-down approach: “...everyone looks up not down”, “Reviews are one-way”, “There is no channel for upward feedback”
- There was great respect for the technical skill of their managers, but an expressed desire for greater people skills in management.

This generation are definitely keen to lead in new ways, but they first need effective leadership role models who can engage with them. The ever-present generation gap is very visible when we attempt to lead Gen Y in old styles. Traditional leadership stresses structure, hierarchy, and control- they are looking for relating, mentoring, and guidance. As they stated in the discussion groups, they want direction, feedback, and good communication channels with their managers.



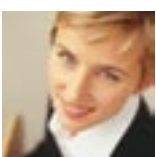
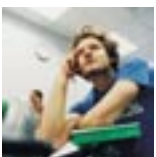
Management: Communication
Opinions expressed:

- It was said that there was not an atmosphere of open communication, a perception of “unwritten rules” and a reliance on “official” communication: “you have to stick to the chain of command”.
- Most stated that they were not given enough regular feedback and direction- indeed they felt that the graduate program would be a career training ground and were disappointed with the autonomy: “You are going OK unless you hear otherwise”.

The perception was that the graduate programs would really assist their career development through active management input, and clear and ongoing feedback and communication, yet this wasn't always the reality. To keep this in context, most expressed contentment with their roles, and no desire to leave, although this discussion highlighted a potential source of discontentment. The reality is that there will always be lower retention rates of young staff than the older generations but turnover is not automatic.

a final word

The message from the research is clear: managers need to understand these changed times, and changing generations. By observing these new graduates, we can implement relevant techniques and structures to better engage with, and lead them. This is the surest way to remain relevant, and impact the future.



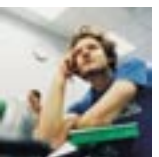
about the author

Mark McCrindle, Social Researcher. MA, BSc. (Psychology), QPMR

Mark McCrindle was trained as a Psychologist and his research into the different generations is recognised internationally. Mark is a Qualified Practising Market Researcher (QPMR), and so has his finger on the pulse of today's generations. Organisations commission Mark to conduct research and then speak or consult with them to help them better understand and engage with the ever-changing market and employment segments.

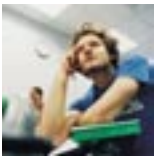
Mark graduated from the University of NSW with a BSc (Psychology), and he has completed a Masters degree majoring in Social Trends. He is the Director of the social research agency McCrindle Research Pty Ltd, which specialises in social and generational research across the Asia Pacific.

Some of his recent clients include: Toshiba, Westpac, AMP, Commonwealth Bank, David Jones, Alcan, Cadbury Schweppes, Mercedes Benz, Toyota, Red Rooster, American Express, State Street, Flight Centre, Scania, AXA, Mirvac, Wesfarmers, LG, St George Bank, Fairfax, ANZ, Accor, MLC, Esanda, Komatsu, Woodside, ExxonMobil, Tyco, BlueScope Steel, Hudson, Telstra, Optus, & NAB.



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