



TenStep Supplemental Paper

23 February 2006

The Training Carrot

Training and development opportunities, not big salaries and locations, lure young workers

Key Learnings

- Expectations of the Generation Y workforce are wildly different from that of their predecessors.
- It is not big salaries anymore. What the workforce desires are opportunities for enhancing performance.
- Organizations that offer career growth and learning opportunities attract young workers better.

A writer recently commented, "This generation is somewhat ill-defined, the workplace is ill-defined - it's a perfect match." He may have said that lightly. However, few fresh college graduates are able to state what they actually want in a job and career. This means that recruiters and employers need to play the guessing game!

Back in Time

Earlier factors that influenced career decisions differed from generation to generation. Now they vary from year to year. According to Experience Inc., a company that sells recruiting software to colleges, job expectations change with each new batch of students.

The top factors that drove career decisions in 2004 were salary, location and career advancement. Today, it is neither attractive pay packages nor being closer home. According to a leading recruiter, "*Waving money in the faces of Generation Y as a hiring tool is often a futile effort.*" Location is now placed tenth on the list of preferences, according to a recent survey.

Expert Advice

Eric Chester, President of a market analysis and consulting firm, believes for young workers a "hot job" is one that offers opportunities to learn and grow. Agreeing with Chester is Experience Inc.'s Vice President marketing, Janet Sun. She considers professional development courses as the key to hiring Generation Y talent.

"Students these days want to take advantage of coaching opportunities, they want to be mentored, they want to learn", says **Amy Van Kirk**, a recruiter at

PriceWaterhouseCoopers. Recruiting experts now agree that organizations can safely assume that career growth and learning opportunities influence career decisions the most. Not far behind are a few other factors, such as the organization's reputation and ethics and a job with meaning.

Leading the List - Training and Development

When college students graduate to join the workforce, they look for:



TenStep Supplemental Paper

- Structured and formal training
- On-the-job guidance
- Career development opportunities

Of course they expect these as long as they work.

In keeping with the expectations of the new workforce, leading insurance companies have adopted intense training processes (formal classroom and online courses, coaching, mentoring, on-the-job training) mainly when hiring for specialized positions. *"They want to bring people on very early on and they do not want to lose these people because they are highly skilled"*, says Sun.

Copycats

Other organizations too must follow suit and play up their formal learning plans to attract the best of the young talent.

A car rental company follows what they call 'the training approach to hiring'. "They have an amazing program, training people in various roles. They bring in people they want to hold on to and they grow them", mentions Sun. Internal promotions are an integral part of a company's recruiting strategy. As a result, there is a wealth of internal growth opportunities awaiting entry-level candidates.

Young recruits are offered continual training and development, marketing and business skills. The company's vice president of recruiting proudly informs, "Anyone who comes in and looks can see that there is a lot of potential to build a career within the organization."

New Traits

The tendency or willingness to continue working in one organization all their lives is no longer valid. In fact, leading recruiters recognize that members of Generation Y fear being pigeonholed in a job or organization. They prefer careers that consist of several jobs, with each job offering the chance to handle different tasks. Therefore, offering internal promotions and on-going career growth and professional development opportunities will go down well with the Generation Y workforce. While this strategy may not encourage lifelong loyalty, it will definitely reduce turnover.

Incentives

Another training approach to hiring is to do what one furniture manufacturing company does. They encourage employees to develop personal career growth plans. The training department then supports these plans by offering 100 percent reimbursement for ongoing learning programs. The only condition is that an employee must convince management that training would impact his or her performance and prepare him or her for promotions.

The reason for adding this stipulation is that, *"you have to make sure the folks who come to you understand explicitly that there is not just the possibility for them to grow their talents through further education and training, but there is that expectation,"* explains



TenStep Supplemental Paper

Jack Schreur, Director for Employee Services. The company strongly believes that they would fail as employers if their employees left with the same knowledge and experience they first came in with.

Next: Reputation and Ethics

Commitment to supporting employee development aside, there is an emphasis on working with highly regarded organizations. A recent poll found that a number of new hires, especially in large organizations, felt that their top brass must demonstrate more integrity or morality.

Compared to large organizations, manager-employee interactions in small workplaces are more. To entry-level candidates, the top lot is almost faceless, and as Chester says, "*big companies tend not to communicate as in-depth with their front lines as smaller companies do, leaving front-line talent to feel lost in the shuffle.*"

Top organizations are particular about keeping in touch with their front-line and new employees. "*They always know what their front-line is thinking. If employees leave because they feel that management is not demonstrating integrity, heads should roll*", suggests Chester. Periodical surveys best show how employees feel and what they think.

Hot Preference: Jobs with Meaning

Popular work choices among the Generation Y workforce include engineering, computers, financial services and accounting. While this generation cannot be characterized as being altruistic, a survey indicates a growing interest in jobs with non-profit organizations and educational institutions.

Aspiring to be trendsetters, fresh graduates "*want to participate in developing a product or service that could revolutionize an industry or change peoples' lives*", says **Al O'Connor**, the Vice President of a consulting firm. In other words, many young employees are looking for jobs with meaning, jobs that can be of significance to their community or the world.

Adding meaning to a job should now include:

- Connecting small boring tasks to the bigger picture
- Convincing the new hire that his job is not only about assembling parts or entering data, but about helping the organization and its stakeholders increase their net worth

To a fresh graduate, a good job is no longer about big bucks. It is about opportunities to learn and grow, working for ethical bosses and giving back to the community. It definitely is time to revise job descriptions.