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What Gen Y Really Wants

By Penelope Trunk

With 85 million baby boomers and 50 million Gen Xers, there is already a yawning generation gap among American workers--particularly in their ideas of work-life balance. For baby boomers, it's the juggling act between job and family. For Gen X, it means moving in and out of the workforce to accommodate kids and outside interests. Now along come the 76 million members of Generation Y. For these new 20-something workers, the line between work and home doesn't really exist. They just want to spend their time in meaningful and useful ways, no matter where they are.

The first challenge for the companies that want to hire the best young workers is getting them in the door. They are in high demand--the baby boomers are retiring, and many Gen X workers are opting out of long hours--and they have high expectations for personal growth, even in entry-level jobs. More than half of Generation Y's new graduates move back to their parents' homes after collecting their degrees, and that cushion of support gives them the time to pick the job they really want. Taking time off to travel used to be a résumé red flag; today it's a learning experience. And entrepreneurship now functions as a safety net for this generation. They grew up on the Internet, and they know how to launch a viable online business. Facebook, for example, began in a college dorm room.

With all these options, Generation Y is forcing companies to think more creatively about work-life balance. The employers who do are winning in the war for young talent. The consulting firm Deloitte was alarmed by the high turnover of its youngest employees, so it asked one of its consultants, Stan Smith, to find out more about what attracts them to and keeps them at a job. His research reveals that job hopping is not an end in itself but something young workers do when they see no other choice.

"People would rather stay at one company and grow, but they don't think they can do that," he says. "Two-thirds of the people who left Deloitte left to do something they could have done with us, but we made it difficult for them to transition." So Smith, who is now in charge of recruiting and retaining Generation Y as national director of next-

generation initiatives, created programs at Deloitte that focus on helping people figure out their next career move. Smith is betting that in many cases, the best place for a restless young person is simply another spot in Deloitte. This saves the company the \$150,000 cost of losing an employee--not to mention the stress for employees of changing jobs.

Old assumptions about what employees value in the workplace don't always apply with Gen Y. Friendship is such a strong motivator for them that Gen Y workers will choose a job just to be with their friends. Boston-based Gentle Giant Moving once hired an entire athletic team. "It looked like a great work environment because of the people," says rower Niles Kuronen, 26. "It was huge to be able to work with friends." It feels normal for Gen Y employees to check in by BlackBerry all weekend as long as they have flexibility during the week. Sun Microsystem's telecommuting program, for example, has kicked into high gear in response to Generation Y's demands. Today more than half of Sun's employees work remotely.

Generation Y's search for meaning makes support for volunteering among the benefits it values most. More than half of workers in their 20s prefer employment at companies that provide volunteer opportunities, according to a recent Deloitte survey. The software company [Salesforce.com](http://www.salesforce.com) gives 1% of profits to its foundation, which pays for employees to volunteer 1% of their work time. [Salesforce.com](http://www.salesforce.com) staff will do 50,000 hours of community service this year. "This program has dramatically increased our ability to recruit and retain high-quality employees," says CEO Marc Benioff. It's what attracted Eliot Moore, 26. "When I heard about the [Salesforce.com](http://www.salesforce.com) Foundation, it was plus after plus for me," he says. "It's a way to take the skills I learned in the corporate arena and give back to the community without leaving the company."

Understanding Generation Y is important not just for employers. Older workers--that is, anyone over 30--need to know how to adapt to the values and demands of their newest colleagues. Before too long, they'll be the bosses.

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