

Retaining Generation X and Y Workers

“If they’re not getting something out of it, they hit the road,” says Ken McRobbie, president of the Edmonton-based communications firm McRobbie Group. In a few words he’s just summed up one of the most perplexing issues facing today’s managers: how to retain Gen X and Y workers.

In McRobbie’s industry, talent runs fast and furious among the 20 to 35 year olds straddling these two generations. Unlike steadfast boomers, Xs and Ys are more likely to be poached by competitors or leave in pursuit of more money and greater challenges.

Estimates put turnover costs at 25% of the annual salary for hourly employees and upwards of 1.5 times the annual wages of salaried employees. With an average staying power of only two years, Gen X and Y are the most costly offenders.

Some experts blame the boomers’ corporate monogamy for the Xs and Ys inability to stay put. “They saw their parent’s lifelong loyalty to companies, then they saw their parents being laid off,” says Clare Denman, community liaison for Youth Connections, a provincially funded job training and counselling service. “It struck a note that perhaps it’s not safe to stay with a company. Perhaps I have to protect myself.”

Echoing that statement are Giselle Kovary and Adwoa Buahene, a pair of self-described Xers who started n-gen, a Toronto-based consulting firm aimed at helping businesses attract and retain young employees.

“Downsizing really stayed in the psyche of this generation,” explains Kovary, “but ‘disloyal’ is the wrong descriptor.” Sure, they’re interested in a win-win situation, but Gen X and Y are extremely results-focused and exceptional at multitasking, thanks to their tech-heavy upbringings. Repetitive work won’t sustain them. They want demanding projects and rewards for their achievements.

“It gets difficult when you factor in the unionization and lack of performance management typically associated with the public sector,” says Buahene. Alberta’s public service, for instance, counts 37% of its 22,000 salaried employees over the age of 50 and only 17% under 35. One way of preparing for the boomer retirement exodus is through a professional-development program that allows ambitious employees to move quickly through the ranks. The other is by stepping

up internship positions, which have doubled in the last five years.

n-gen partners Kovary and Buahene recommend employers in both the public and private sectors make their HR strategies fit the Gen X and Y mindset: Provide a feel for the organization’s corporate culture on the company website; quell commitment-phobia by hinting at a position’s upward mobility months, rather than years, down the road; retain young professionals by filling their plate with new and challenging tasks; and reward them regularly.

If all else fails, Ken McRobbie offers a further suggestion for dealing with Generations X and Y: “Seek out new talent continuously and always keep a couple resumes on the back burner.”