

where neXt?
whY next?

REVIEW 07/08

where neXt? whY next?

A look at the career motivations and expectations of
Generation X and Y professional services marketers

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Preface

We are committed to producing reports that are useful and interesting to our clients and candidates.

That is why we are pleased to present the findings of our research report into Generation X and Y, **where neXt? whY next?**

This report examines the career motivations and expectations of Generation Y professional services marketers and how they differ from their Generation X counterparts.

It is important for firms to understand candidates' needs, expectations and career motivations – particularly as their skill-set is in such high demand globally.

Employees are a firm's most valuable resource. The better we understand them and meet their expectations, the better we are at attracting and retaining excellent people.

We would like to thank all those who participated in our survey. We would not be able to present these findings without your valued time, willingness and thoughts.

Please feel free to share your comments, suggestions or ideas with me at graham.seldon@seldongill.com



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Methodology

This survey set out to provide an insight into the thoughts and career expectations of professional services marketers – with a focus on Generation X and Y.

The aim was to find out exactly what they do, want and expect when looking for a new role – from how they search for positions, what they look for in a firm, what they expect in the interview process and what influences their career decisions.

In late 2006, Seldon Gill sent out a survey to 90 candidates across Australia, New Zealand and Hong Kong. People participated across a range of ages and levels from small, mid and top-tier law, accounting and management consulting firms.

With a focus on Generation X and Y, of the respondents –

Age	<ul style="list-style-type: none">• 10 aged 22-27• 37 aged 28-32• 33 aged 33-39• 10 were 40+
Lives	<ul style="list-style-type: none">• 32 from Victoria• 25 from New South Wales• 10 from Western Australia• 4 from Queensland• 5 from New Zealand• 14 from Hong Kong



Level	<p>Generation Y</p> <ul style="list-style-type: none">• 7 were assistants/coordinators• 12 were executives• 14 were managers• 12 were senior managers• 2 were directors <p>Generation X</p> <ul style="list-style-type: none">• 2 were assistants/coordinators• 3 were executives• 15 were managers• 14 were senior managers• 9 were directors
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For the purposes of this research, Generation Y will be those aged 32 and under, therefore we surveyed –

- 47 people from Generation Y (aged between 21 and 32)
- 43 people from Generation X (aged 33+)

The survey was an online questionnaire with a series of closed and open-ended questions.

The opinions expressed and printed in this report belong to the individuals who participated and do not reflect those of Seldon Gill.



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Introduction

So why a focus on Generation X versus Generation Y?

Every author and researcher has a different set of dates for what classifies Generation Y; but what they do agree upon is that this group were generally born between the late seventies and early into the new millennium. They are fast becoming the main business drivers in the workforce.

They are a generation with choices; they want products and services that are customised and individualised to match their complex, fast-moving lifestyles. They are media and technology savvy with a global perspective.

The days of a job for life are well and truly over. Generation Y, unlike their boomer parents – and even their Generation X colleagues – are renowned for being entrepreneurial, competitive and mobile workers.

Australasian candidates are highly sought after around the world because there is a demand for skilled, sophisticated candidates with experience gained in increasingly competitive industries. As Australasian professional services marketing is seen as being world class, candidates from this region can often choose where they want to work. As a result, it's getting more and more difficult for firms to retain the best Generation Y employees.

In the past 12 months, Seldon Gill has placed candidates from Australia and New Zealand into fast-moving business centres like Hong Kong, Dubai and London. This trend shows no sign of slowing down meaning that competition for candidates “at home” is getting stronger.

Those firms that can adapt and respond to candidates’ “buyer behaviour” will gain the competitive edge they need.



The Influentials

- How do candidates search for new roles?
- How do candidates research a firm they are interested in or interviewing with?
- What influences candidates to take a role?


How a candidate looks for and finds a role is very important to establish. Can a print advertisement be used in isolation? Are recruitment agencies a worthwhile resource? Can you rely on your website and online job boards?

And does being from Generation X or Y affect any of these?

Figure 1: How do candidates search for new roles?

	Generation X	Generation Y
Recruiters	87%	70%
Online job boards	60%	70%
Word of mouth/referral	56%	37%
Industry associations	22%	26%
Newspapers	31%	17%

As expected, traditional print media is losing its relevance for Generation Y (figure 1). The proliferation of new media and the demand for information services means they are more likely to target web-based job boards and recruiters.



The rise in technology has moved from the standard press coverage or print publication to a preference for online subscriptions, job boards, blogs and alternate sites. Interactive media, customised websites and two-way communication methods mean Generation Y have a variety of tools available to them on their desktop.

Interestingly, recruitment firms are the most preferred method of both generations.

“Making contact with recruiters gets you quickly up to speed on what is happening in the market,” said one Generation X participant.

With a Generation Y participant commenting that –

“I may look at online job boards but would prefer to use recruiters as they are already known to the firm and able to influence the process.”

Candidates understand the fact that not all jobs are advertised and that they too have to promote themselves in the best way to prospective employers. In addition, candidates view their skill-set and circumstances as unique and therefore favour a more tailored and bespoke approach to finding a job.

This has resulted in a rise in headhunting and search, even at a more junior level. Search, as part of a recruitment campaign, is now highly effective and considered “normal” in most cases.

Results show that Generation Y is least likely to rely on peer recommendations, which reinforces the belief that their adventurous and entrepreneurial spirit means they are more likely to “take risks” independent of others’ judgment.




Figure 2: How do candidates research a firm?

	Generation X	Generation Y
Firm's website	93%	100%
Friends/family	49%	65%
Online searches (Google etc)	76%	65%
Colleagues	71%	59%
Media (articles, legal press etc)	67%	54%
Directories/industry journals	38%	35%
Other	9%	9%

A firm's website is the first port of call for candidates when researching a firm they are interested in or are interviewing with. While all Generation Y surveyed said they use it, Generation Xs were not far behind with almost all of them nominating websites too (figure 2).

As marketers – particularly those from Generation Y - are by nature creative, innovative and attracted to the instantaneous convenience of technology, a firm's online presence is essential. A website should be used as a means of attracting candidates and showing them, for example, what their firm does, its unique selling proposition and the direct benefits for employees.

This could put them a step ahead of their competitors and differentiate themselves for a relatively low cost.



However it seems that not all firms are using the web to differentiate themselves effectively. *Seldon Gill's Marketing in Professional Services Review 06/07* – which surveyed senior marketing managers and directors of Professional Services firms across Asia, Australia and New Zealand – found that most participants thought no firm had really differentiated themselves from their competitors. Said by one Generation Y participant –

“I think there is a great opportunity for a legal brand to really stand out from the crowd.”

Online searches such as Google were also considered useful tools for researching a firm; again, reflecting the technologically immersed world that we live in today.

Figure 3: When selecting a new role, which of the following influences your decision?

	Generation X	Generation Y
Salary	84%	91%
Position Description	80%	91%
Culture	78%	87%
Firm's Reputation	85%	67%
Strength of brand	64%	63%
Firm size	42%	48%
Job title	27%	37%
Calibre of clients	42%	28%
Corporate Social Responsibility policy	2%	15%
Profile of fee-earners	7%	4%

Generation Y rated salary, position description and job title higher than the Generation X participants (figure 3).

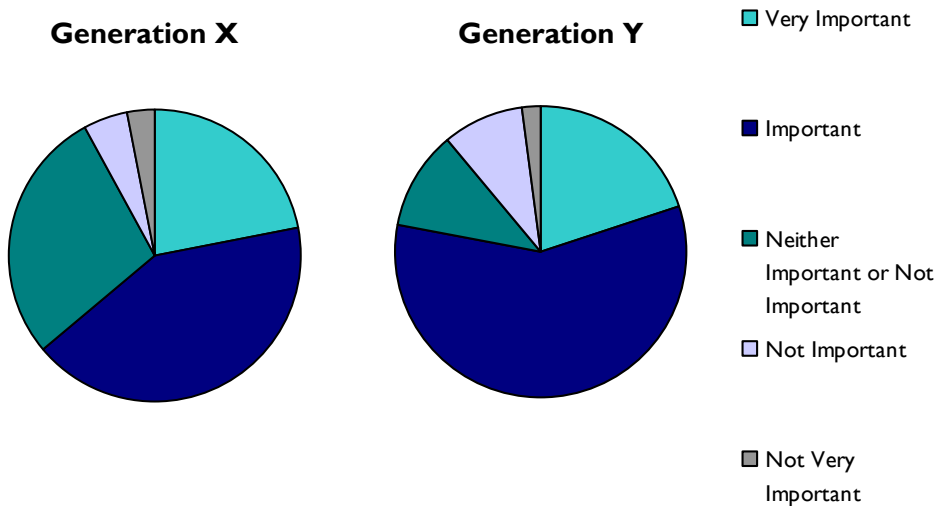
This confirms some of the widely documented characteristics of Generation Y – status driven, reward hungry and financially motivated.

Although these are traits of all people to some extent, Generation Y are renowned for these and this is reflected in what influences their decision to accept a role.

Strength of brand, working culture, the firm's reputation and size were considered important influences across both generations.

Generation Y also rated a firm's Corporate Social Responsibility (CSR) policy higher than Generation X when it came to looking at a new role. Traditionally, Generation Y tends to look for stand-out corporate citizens and businesses that represent high moral principles. While CSR did not rate as one of the top priority influences for Generation Y, it was rated significantly higher than in the case of Generation X.

Figure 4: How much of a drawcard is the profile of the Head of Marketing?



Participants were asked how much of a drawcard is the profile and reputation of the Head of Marketing (figure 4). Generation Y rated this higher than Generation X, with 78% saying it was important or very important compared to 64% of Generation X.

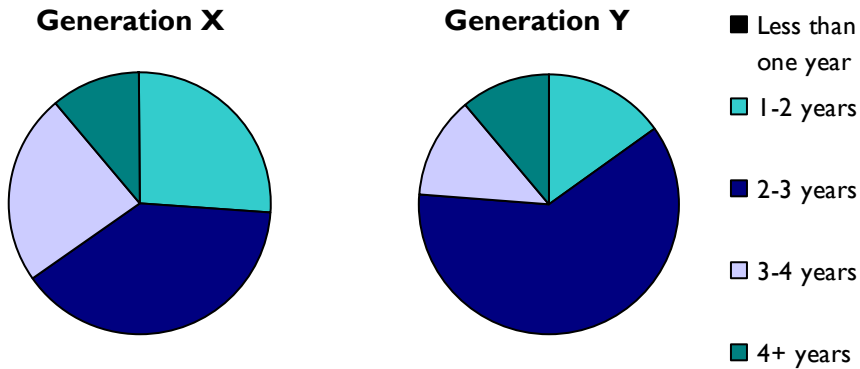
This suggests that although Generation Y are often highly driven and want to achieve career development and success quickly, they are still looking for guidance and respect those senior to them. What is important here though is that this leader is reputable, respected and capable. Generally speaking, they want guidance and leadership from a boss that is inspirational, who encourages free-thinking, shows recognition and is someone to aspire to.

This is a very positive finding. Generation Y takes pride in their careers and want to learn from and work around people who have a respected, well-regarded reputation in the industry.

Expectations

- How long do candidates expect to commit to their next role?
- Working interstate or overseas?
- Do they want to be the Head of Marketing in a firm?
- Big fish versus little fish?

Figure 5: How long is a fair amount of time to commit to a role?



Over three quarters of Generation Y said they believe 2-3 years or less is a fair amount of time to commit to their next role (figure 5).

Unsurprisingly no candidates said they expected to spend less than one year, however only 11% from both generations said they thought four years or more was a realistic commitment.

Generation Y tends to be loyal to no single firm, instead are more focussed on their own interests; they remain loyal to a firm for as long as their job is meeting their career expectations and plans.

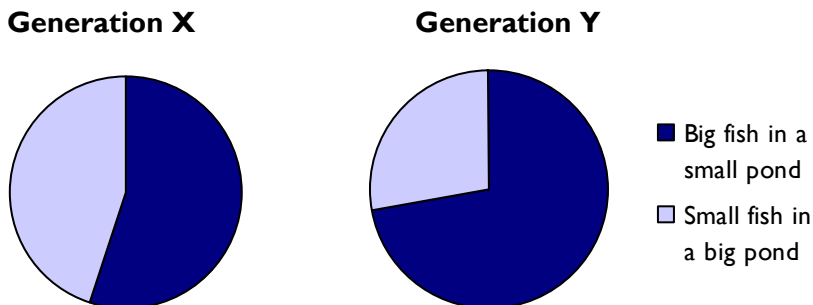
While the time committed to a role may be considered reasonably minimal compared to traditional expectations, this does not mean that participants have short-term goals. In fact, the contrary was true. In line with their high-achieving, entrepreneurial characteristics, it was not surprising that 64% of Generation Y participants and 66% of Generation X participants said they one day hope to have the top marketing role in a firm (figure 6).


Figure 6: Do you hope have the top marketing role in a firm?

	Generation X	Generation Y
Yes	66%	64%
No	34%	36%

This was further emphasised when results showed 72% of Generation Y said they would prefer to be a big fish in a little pond over a little fish in a big pond (figure 7). This differed somewhat to Generation X with only 55% preferring the bigger role in a smaller firm.

Figure 7: Would you rather be a big fish in small pond or small fish in big pond?





This demonstrates once again that Generation Y tend to be more personally driven towards success of self. They want recognition with a role that is considered higher, and a title to match.

Rather than having loyalty to a firm and being driven by its size, reputation and tier status, Generation Y are more dedicated to furthering themselves and achieving personal success and recognition.

Figure 8: Would you ever consider working interstate or overseas?

	Generation X	Generation Y
Interstate	40%	39%
Overseas	71%	76%

Both Generations were reasonably on par when it came to the possibility of working interstate and overseas – with overseas the more favoured option.

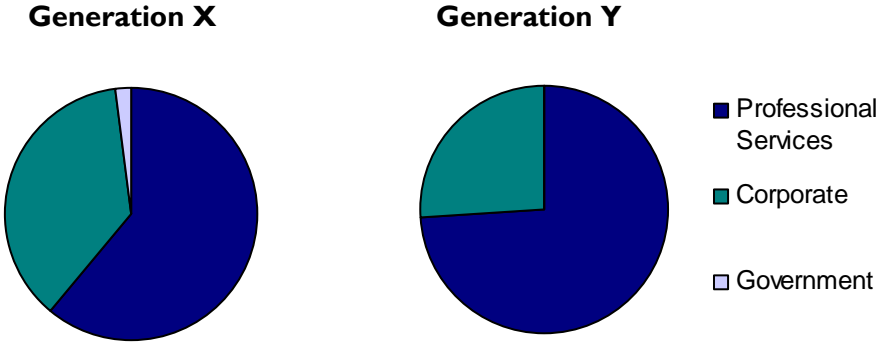
The international market for labour has freed up immensely in the last decade. Experienced, skilled workers are sought after overseas and firms are willing to pay for their expertise. Professional services marketers, alongside countless people from other industries, are taking up this opportunity to further themselves abroad. Uplifting your life and taking it overseas is no longer a barrier or a turn-off.

Where it differs between generations is that when Generation X were beginning their careers, overseas generally meant the United Kingdom, and perhaps even the United States. Now it is a situation that is almost as simple as ‘pick your country’. It isn’t unusual to hear expat tales of Australian and New Zealand candidates in places such as Eastern Europe, Hong Kong, China and India or the Middle East.



Participants were asked what their preferred industry would be if they were looking for a new role. Options were Professional Services, Corporate and Government (figure 9).

Figure 9: What is your preferred industry to work in?



Of Generation Y, 74% said Professional Services was their favoured industry. Just over a quarter nominated Corporate as their sector of choice; with none having Government as their first choice. This somewhat differed with Generation X whereby less people said professional services.

This suggest that more Generation Y participants still see career development in professional services. They are still enthusiastic and prepared to further their career in the sector.

Generation X, who generally have been ‘doing it longer’, seem more likely to try a new industry with more participants selecting Corporate and Government. Aside from a new challenge or experiences, reasons for this may be they have reached their potential in professional services or would like to move away from the constraints of a partnership structure.



Interview Process

- Who should be involved in the interview process?
- How many interviews are suitable?
- How important is HR in the interview process?
- How important is it to get a salary increase in a new role?


Now is a very busy time for professional services marketing – in Australasia and across the globe. Never before has there been such a demand for experienced, skilled professionals. On the flipside, it is a candidate-short market and good, solid candidates at all levels can be hard to come by.

So, knowing candidates' expectations is very important. It is crucial for firms to understand that this candidate tight market means good, solid, experienced professionals are in demand. The balance of power is now even – it is as much about what a candidate wants in the interview process and role as it is about the firm.

Who should be involved in the interview process?

When participants were asked who they would like to see on the interview panel, results were as followed -

1. Marketing
2. Managing Partner/CEO
3. Partners
4. Human Resources



When probed further about whether there were any others who should also be involved, candidates answered –

“Direct colleagues from other teams where a matrix structure operates.”
“BD staff who you would be working with but not reporting to.”
“Where possible, if the role is a replacement for an existing role, a meeting with the incumbent person is very helpful.”

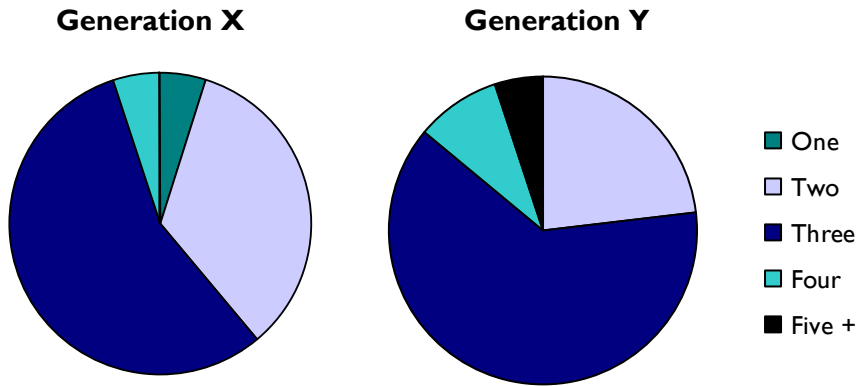
Aside from meeting with people from their future teams and their counterparts, many candidates said it was very important that the Managing Partner/CEO and Partners be involved where possible.

“It is critical to see a Partner or Managing Partner because it demonstrates that they care about who is joining their support team,” said one Generation Y participant.

“Other fee-earners and senior support heads – this helps get a ‘real insight’ into the firm,” said another.



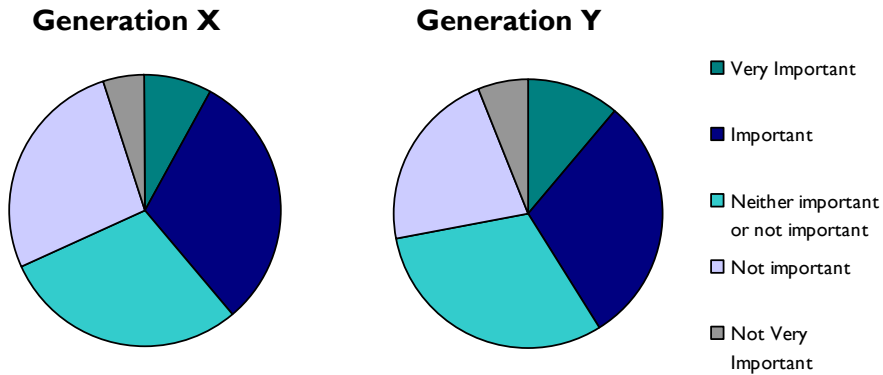
Figure 10: How many interviews do you think is suitable for level?



Although it is ultimately dependent on timeframe available and if it is a temporary, contract or permanent role, three interviews was seen as generally suitable across the board (figure 10).



Figure 11: How important is HR in the interview process?



Participants were asked how important they thought HR was in the interview process.

In the case of Generation Y, over half said they believed HR was neither important or not important, not important or not very important (figure 11).

The age-old differences between HR and marketing in the professional services industry seem to still have a long way to go. As said by one Generation X participant -

“I have never found that HR add much to the process and usually have a limited understanding of marketing.”

There appears to be some gap between the two disciplines, especially in the interview process, whereby marketers prefer to be interviewed by those in the same field, or by the firm’s main decision-makers.



Salary Increase

Participants were asked how important it is to get a salary increase for a new role at a new firm. Unsurprisingly, the vast majority said it was very important.

Participants mentioned on a number of occasions that it is easier to get a salary increase when moving firm over an internal promotion.

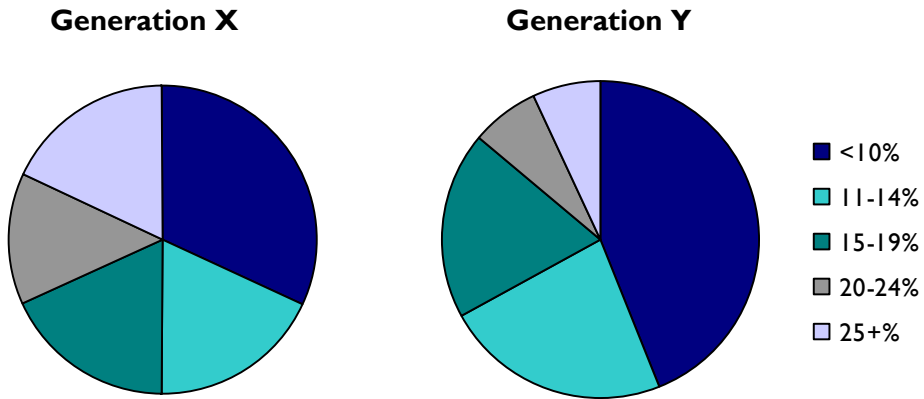
Said by one Generation X participant –

“Generally, my rule of thumb is that pay rises are pretty small once you are with a firm; so you need to maximise the rise with a move to another firm.”

This links back to the value employees place on recognition and career development. Generation Y, in particular, hate hearing about people with the same skills being paid more money than them and will move firm all together to achieve the appreciation – be it monetary or status – they deem suitable to them.

So what is considered to be an appropriate salary increase for a new role within a new firm?

Figure 12: What do you deem as an appropriate salary increase for a new role?



Of Generation Y, 86% said they believed an increase of up to 20% was appropriate, with 68% of Generation X agreeing (figure 12).

This is a reasonably realistic and achievable expectation from the participants. For a new role in a new firm to be appealing, employers need to reward their potential staff with a pay rise of up to 20% higher than their current salary – as results show that this expected by the market.



Employer Brand


How a firm as a brand is perceived by staff and potential employees is very important. A firm may be recognised as a market leader; but may have a poor reputation in its approach to people management. A firm that considers its treatment of employees – both fee-earners and support - as a competitive advantage is critical to long-term loyalty and success.

Firms must aim to have employees join them because they have a strong sense of obligation to their people as well as their clients. This is a combined responsibility for the entire firm – management, partners, marketing and HR all have a part to play.

The survey asked participants which firms they consider to have the most desirable brand to work for. Below are the top four firms named.

Figure 13: What are the most desirable professional services firms to work for?

Allens Arthur Robinson
PricewaterhouseCoopers
Malleons Stephen Jaques
Ernst & Young



While these firms were mentioned most frequently, 49 firms were nominated when it came to most desirable firm.

Participants were also asked which firms they think is in the most need of an improved employment strategy. Here 28 different firms were listed.

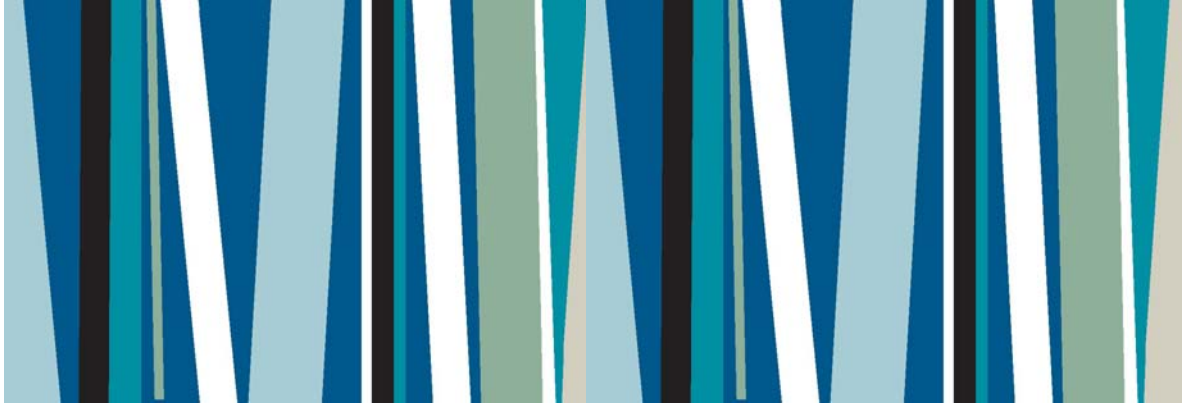
Interestingly several firms – including some of the Top 4 firms mentioned previously – featured on both lists; proving that perceptions of employer brands are most definitely a personal opinion.

In both lists, firms covered top, mid and small tier firms and canvassed a number of sectors – law, accounting, management consulting, architecture and design.

This demonstrates once again that professional services firms have struggled to differentiate themselves from their competitors.

A Snapshot of Generation Y

- Hate managers that 'micro-manage' and that control their every move
- Love managers that are well experienced and respected in the industry
- Hate to think that a job is a 'job for life' and believe that three years or less is a fair amount of time to commit to their next role
- Love to be allowed to manage their own time where appropriate and thrive on both autonomous and team work
- Hate hearing about people in the same role with the same skills being paid more money than them
- Love to one day to have the top role in a firm and would rather be a big fish in a small pond than a small fish in a big pond
- Hate long recruitment processes and believe three interviews is an appropriate amount
- Love that their career can take them anywhere in the world



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