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RESEARCH REPORT



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TABLE OF CONTENTS

FOREWORD	4
EXECUTIVE SUMMARY	5
THE FUTURE IN THEIR HANDS	7
Gen Y, the next torchbearers	7
A misunderstood generation?	7
Growing up	9
THE SINGAPORE SLING: GEN Y WITH A TWIST	10
Staying the course	10
Going the extra mile	12
Substance trumps style	13
Patience on the job	15
GEN Y AND THE ORGANISATION	16
What Gen Y wants	16
Meeting their expectations	19
GEN Y PROFESSIONALS AND THEIR MANAGERS	21
Generation to generation	21
A bridge not so far	26
IN THE BALANCE...	28
CONCLUSION	30
The new old generation	30
Grooming for tomorrow	30
PROFILE OF RESPONDENTS	32

FOREWORD

Research into generations¹ only became popular in the late 1990s when William Strauss and Neil Howe coined the term ‘millennials’², now better known as Generation Y. Much of the early and subsequent literature on this demographic segment would coincide with the times when Generation Y was just entering the workforce or had been working only for a brief period of time.

Based on the broad definitions of Generation Y – early 1980s to mid-1990s – the oldest today would have been working for slightly over a decade and the youngest perhaps a year or two. This assumes they started working after completing their undergraduate studies. Therefore, the majority of Generation Y has been engaged in professional work for some years now. Are early descriptions of them as employees still relevant today when most of them have grown up and acquired several years of working experience? Have they evolved as working professionals with the passage of time? How do they differ from their previous generations in their values and outlooks towards a working life? Are they satisfied with their careers so far? This report by the Asian Institute of Finance (AIF) addresses these questions. It presents the findings of an online survey conducted among Generation Y professionals and their managers in the Singapore financial services industry. It is the fourth in AIF’s regional series to offer a more current understanding of the work values, job expectations and career outlooks of Generation Y.

The findings of the survey reveal a sensible and promising Generation Y workforce that does not conform to prevailing stereotypes. They enjoy a thriving relationship with their managers from earlier generations and are committed to the organisations that employ them. This report hopes to shed light on areas in which financial institutions in Singapore could better engage with this generation of employees to more fully realise their potential.

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¹ Wikipedia, “Strauss-Howe generational theory”.

² Samatha Scharf, “What is a Millennial Anyway? Meet the Man who Coined the Phrase”, *Forbes*, 24 August 2015.

EXECUTIVE SUMMARY

Generation Y (the Millennials) consists of 2 billion people worldwide currently in their 20s and 30s. By 2020, these young adults will form half the world's workforce, asserting a prominent influence over their societies, economies, markets and political processes. Due to their highly protective parentage and sheltered upbringing, they are the objects of scepticism and angst. The popular image of them is one of spoiled, self-centred individuals with a sense of entitlement, ill-prepared for the rough and tumble of life.

At the work place, Generation Y professionals have acquired a notoriety for their impatience to climb the corporate ladder without investing sufficient time and effort. They are seen as frequent job-hoppers with a poor loyalty to their employers. Their passion for personal time is said to frustrate their managers from an older generation who are used to taking their work home.

Does this unappealing portrayal still hold true? Are societies and economies of the future to be led by a generation incapable of shouldering the weighty responsibilities of a world beset by increasingly complex problems?

Those troubled by such a prospect should be relieved to know the situation is not lost. This AIF survey of Generation Y professionals in Singapore's financial services industry indicates they are coming of age. While the negative imagery associated with them may have had merit in earlier years, things have changed. The new profile of Generation Y emerging from the survey shows:

- They work long hours and put in as many working hours as their managers in a typical week
- They are willing to 'go the extra mile' in their jobs and are motivated to help their organisations succeed
- They are willing to invest the time and effort to progress to a managerial role
- Nearly half of them have been attached to their current organisation for more than 3 years
- If their exit plans are taken into account, their average expected service duration with the same organisation would be more than 8 years
- While they draw a clear line between personal and work time, they do not stint on work as such
- They seek appreciation and respect, which is misconstrued as being self-centric and demanding constant attention
- They do not challenge authority for the sake of it, but they expect their managers to be capable of coaching and mentoring instead of merely assigning work.

There are, no doubt, certain differences in work values between Generation Y and their managers of earlier generations. While both are equally dedicated, Generation Y make a concerted effort to not allow work to intrude into their personal time and space. The line between work and personal time is blurred for managers and tilts in favour of work. This may be a matter of style rather than of substance.

Managers are meeting, if not, exceeding the expectations of their Generation Y staff on most of the managerial qualities that matter to them. However, more than half of Generation Y professionals looking for coaching and mentoring feel their managers fall short of such a role. There are other minor gaps on lower ranking priorities, such as, motivating staff, giving regular feedback on performance and listening to them.

At the organisation level, financial institutions in Singapore need to take note that only six in ten of their Generation Y staff feel their expectations on career advancement are being met and only four out of ten feel they are being paid well. Other areas in need of attention at the corporate level include personal development and training, ensuring a good work-life balance and making Generation Y feel valued/respected.

Most gaps at the managerial and organisation levels are relatively straightforward to fix. Some, like making the corporate culture more youth-friendly, are a matter of leadership style. Others, like career advancement are subject to the shifting dynamics of the financial services industry which is undergoing structural adjustments and market repositioning. The issue of compensation requires some serious reflection though. While the financial services industry is rated as the highest paying in Singapore, its salary scale for professionals at the entry/early levels may not be as competitive in the broader job market as may be thought.

Overall, the survey results indicate a far more encouraging profile of Generation Y professionals in Singapore's financial services industry than is commonly believed. Dispelling their negative image, the vast majority of Generation Y are satisfied with their professional life even if their expectations on career advancement and high salary are not wholly met. While managers might not quite live up to the ideals of their Generation Y staff, they are well attuned to their needs and have established a healthy working relationship conducive to the needs of both Generation Y and the organisations that employ them.

The conclusion of the survey is the Generation Y workforce in Singapore's financial services industry is driven and committed. To a large extent, this is due to their managers who display a remarkable insight into the priorities and expectations of their younger staff. The Generation Y professionals themselves also deserve credit. Their demonstration of maturity and poise at the work place, and their resilience to the challenges of working life should reassure those sceptical of Generation Y's ability to carry the torch into the future.

Keywords: Generation Y, Gen Y, Millennials, Singapore, Financial services industry

THE FUTURE IN THEIR HANDS

Gen Y, the next torchbearers

Generation Y or Gen Y, also known as the Millennials, is arguably the most discussed and researched demographic segment to date. It is broadly defined as consisting of those born between the early 1980s and slightly past the mid-1990s.

Comprising approximately 2 billion people, slightly more than one-quarter (27%) of the global population in 2015³, Generation Y is already a demographic heavyweight. By 2020, it is expected to form 50% of the global workforce, rising to 75% by 2030⁴. The importance of this generation is felt strongly in Singapore, an island nation with little natural resources where human capital is a major asset. As of 2016, it had about 1.2 million individuals belonging to Generation Y, representing 22% of the nation's resident population and constituting the largest generation segment of its workforce.

Unsurprisingly, the distinct lifestyles, preferences and expectations of Generation Y are a matter of keen interest to government and industry alike as its influence on societies, economies, markets and political processes evolves. To say this generation will shape the future of the world may seem trite. It is nonetheless a fact.

A misunderstood generation?

The passing of the baton from one generation to the next is the natural order of life. It has always been a matter of concern for the older generation whether the one coming after it is capable of shouldering the weight of serious responsibility, upholding and building upon values and achievements of the past even as it stamps its own imprint on the future.

³ Ari Sillman, Erik R Peterson and Courtney Rickert McCaffrey, "Where are the Global Millennials?", Ideas and Insights, AT Kearney, July 2016.

⁴ Patrick Thean, "Millennials in the Workforce — Engaging Them, Retaining Them", *The Blog, HuffPost*, 2 June 2015; Jeff Fromm, "Millennials In The Workplace: They Don't Need Trophies But They Want Reinforcement", *Forbes*, 6 November 2015.

Yet, Generation Y has evoked a more than normal interest that appears to view its role as something special requiring special examination. There are valid reasons why this is so.

An unprecedented series of challenges is convulsing the world today, overturning decades-old models of production, commerce, capital, finance, labour, work ethics, social interaction and the numerous other threads that make up the fabric of societies and economies. A good part of these challenges stems from the ongoing third industrial revolution propelled by digital technology. There is more to it though than technological disruption alone. Other mega trends like globalisation, spiralling economic inequality, the West to East shift in balance of economic power, war and violence, epidemics, and anxiety over climate change mark an extraordinary convergence of forces that are shaping the world of tomorrow. Adding to these is the pace of change itself, accelerating in ways that some feel is ushering in a fourth industrial revolution⁵. People's lives are being altered almost continuously in profound ways that in earlier times might have taken decades. These factors portend a future that requires exceptional skills and capabilities to navigate.

Squaring up to the task is Generation Y, the offspring of the Baby Boomer generation labelled as 'helicopter parents' because of their highly protective parenting style, 'hovering' over their children, adopting a very active, hands-on approach to their upbringing. Often characterised as spoilt, entitled, fickle, lazy, challenging authority, disloyal and having poor work ethics⁶, Generation Y is a source of consternation for nations and organisations. While they aspire to climb the corporate ladder, they do not appear willing to invest the time and effort to make it possible. Their predilection for instant gratification renders them a challenge to engage with in the workplace. Job-hopping, a manifestation of their lack of loyalty, is a common phenomenon associated with this cohort⁷.

In Asia, especially in Chinese-speaking societies, a special phrase – the Strawberry Generation – has been coined to reflect the general perception of and sentiments towards individuals belonging to Generation Y. Like strawberries, they are considered fragile, incapable of coping with the pressures and challenges of life or withstanding hard work⁸ as they bruise easily.

The apparent mismatch between the scale and complexity of future challenges and the perceived shortcomings of those to whom the future will be entrusted has been disconcerting

⁵ Klaus Schwab, "The Fourth Industrial Revolution: what it means, how to respond?", World Economic Forum, 14 January 2016.

⁶ Aperian Global, "Attracting and Retaining Millennials in the Global Workplace", 14 September 2015.

⁷ Melissa Chan, "Singapore Millennials on Why They'll Quit Their Jobs - And It All Boils Down To Similar Reasons", *Vulcan Post*, 22 February 2017.

⁸ "Strawberry Generation", *People's Daily Online*, 7 January 2010.

to many. However, the popular characterisation of Generation Y may have gone too far in its caricature of these young adults as self-indulgent and ill-equipped for the responsibilities heading their way. They may yet prove the sceptics wrong by turning out to be worthy after all.

Growing up

Everyone grows up. In a fast-changing world, people tend to grow up faster. What might have been true of Generation Y even a few years ago is not necessarily accurate today. This AIF study of Generation Y in Singapore's financial services sector shows them to be more pragmatic and responsible than is commonly believed. Not necessarily in the same way as their parents and older generations, but displaying a higher level of maturity than what they are credited with. Whether this is an isolated country- and sector-specific discovery or the emergence of a broader trend remains to be seen. However, the findings of the study offer a ray of hope amidst the generally cloudy outlook towards this demographic segment.

The AIF research focusing on Singapore is a part of its regional series of studies on Generation Y in the workplace. The research survey interviewed 214 Generation Y professionals and 70 managers currently attached to financial institutions in Singapore. For the purpose of the study, Generation Y professionals are those aged 20 to 34 years (i.e., those born between 1982 and 1997). The managers surveyed comprise professionals aged 35 years or older who have Generation Y in their team(s). The report hopes to present a balanced assessment of this group, the largest of the nation's talent pool, to assist financial institutions in Singapore gain a better understanding of its capabilities and motivations.

THE SINGAPORE SLING: GEN Y WITH A TWIST

A geographical and demographic minnow among the whales of Asia, Singapore punches far above its weight on the global and regional arenas in economic and business efficiency. In 2015/2016, it was ranked the world's best in innovation, business environment, ease of doing business and transparency; and the second best in competitiveness and readiness to deal with the fourth industrial revolution⁹. Its workforce was first in the world on productivity and third on employer-employee relationships.

The financial services sector is a significant component of the Singapore economy, and currently ranks third on the 2017 Global Financial Centres Index behind London and New York, making it the topmost Asian financial centre¹⁰. The sector's contribution to the national GDP grew from 10.8% in 2011 to 13.1% in 2016¹¹. It currently employs about 204,000 individuals and expects to add 3,000 jobs each year, in addition to 1,000 jobs annually in the FinTech sector, up to 2020 according to the recently launched Financial Services Industry Transformation Map (ITM)¹², which foresees the sector growing by 4.3% a year with an improved productivity of 2.4%.

Against this backdrop, Generation Y professionals in Singapore's financial services sector seem to march to a different beat. On the key area of their staying power in an organisation, professional commitment, organisational loyalty and work ethics, the facts are at odds with popular beliefs.

Staying the course

Contrary to the widely held view that Generation Y employees are frequent job-hoppers, 44% of the professionals surveyed have been working for their current organisation for more than

⁹ Singapore, Economic Development Board (EDB), *Facts and Rankings*, 2017.

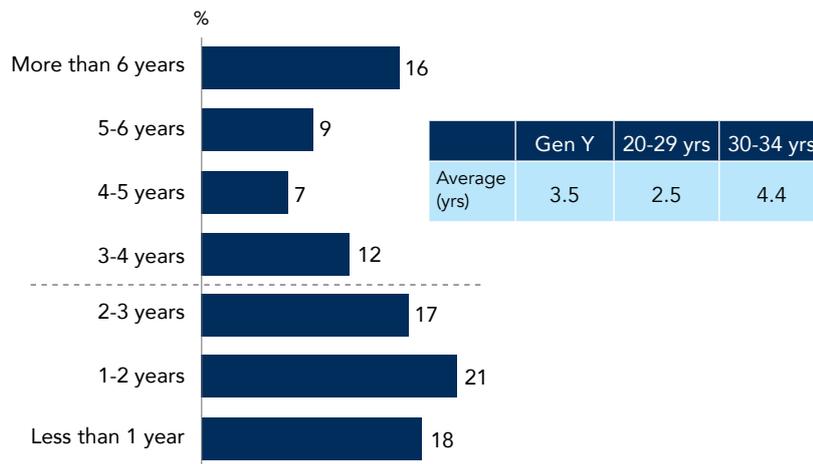
¹⁰ China Development Institute (CDI) and Z/Yen Partners, *Global Financial Centres Index 21*, March 2017.

¹¹ Singapore, Department of Statistics, *Share of GDP by Industry*, 2015.

¹² Ong Ye Kung, Minister for Education (Higher Education and Skills) and Second Minister for Defence, "Staying on Top of our Game", Speech delivered at the launch of the Financial Services Industry Transformation Map, Singapore, 30 Oct 2017.

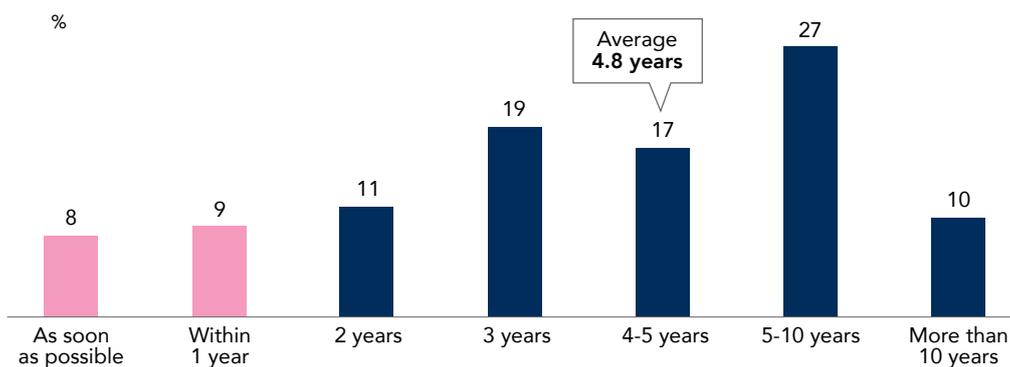
3 years, with as many as a third (32%) working for over 4 years. The overall average service is 3.5 years. Even younger professionals aged 20-29 years have been working in the same organisation for an average of 2.5 years.

Figure 1: Length of service at current organisation



These numbers are reinforced by the finding that a remarkable 83% of Generation Y professionals plan to stay on with the same financial institution for another two years or longer, with more than one-third indicating they are likely to continue for at least another five years (Figure 2). This translates into an additional 4.8 years on average for the whole group, on top of their current length of service with their existing organisation.

Figure 2: Estimated exit timeframe

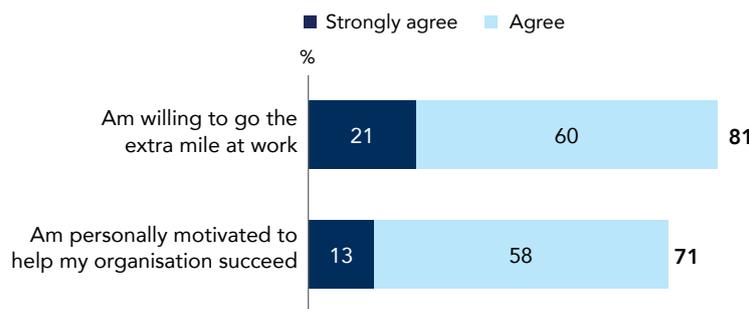


Read together, the findings presented in Figures 1 and 2 yield a stereotype-defying potential average service of 8.3 years with the same organisation. This is a far cry from the notion of Generation Y as frequent job-hoppers and well above the average of one to two years associated with this segment in most literature¹³.

Going the extra mile

Belying their image as self-centred individuals with poor work ethics, an overwhelming 81% of Generation Y professionals in Singapore’s financial services sector are committed to their work and its resulting contribution to the organisation. Four out of five are willing to ‘go the extra mile’ in their jobs. This is not for their personal advancement alone as 71% are also motivated to help their organisation succeed (Figure 3).

Figure 3: Professional commitment



These sentiments are echoed, albeit somewhat less emphatically, by their sense of organisational pride and readiness for organisational advocacy (Figure 4). Six in ten are proud to work for their organisation and willing to recommend it to others.

Figure 4: Sentiments towards employing organisation

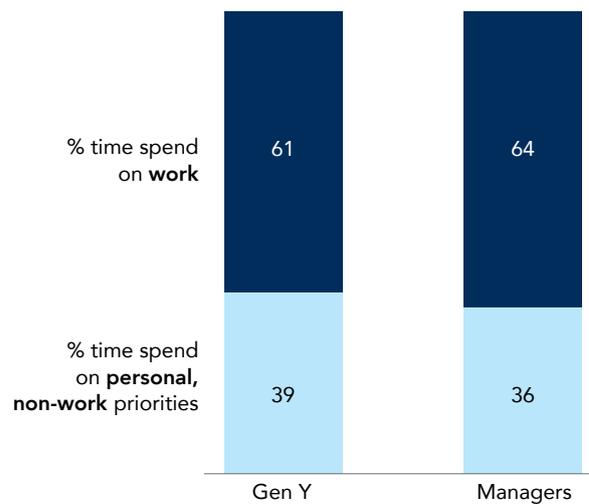


¹³ Jeanne Meister, “The Future Of Work: Job Hopping Is the ‘New Normal’ for Millennials”, *Forbes*, 14 August 2012.

Substance trumps style

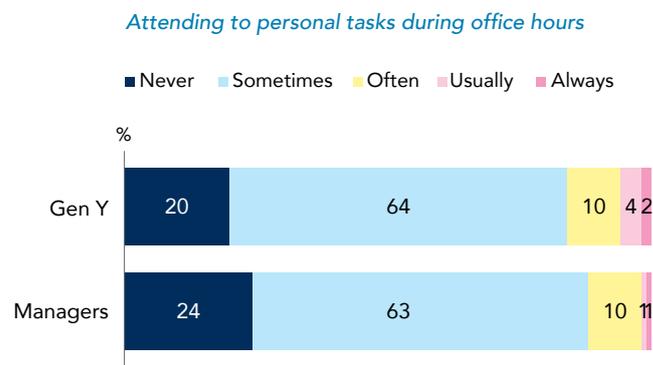
Generation Y employees are willing to put in as many working hours as their managers. In a typical week, 61% of their time is spent on work, only marginally below the 64% for managers (Figure 5).

Figure 5: Work-Life balance among Gen Y and managers



Generation Y professionals are also just as conscientious as their managers about not attending to personal matters during office hours (Figure 6). They make an effort to minimise the frequency of such intrusions.

Figure 6: Frequency of attending to personal tasks during office hours



There is, however, a difference between 'where' Generation Y professionals are willing to work. Unlike their managers, a significant majority of Generation Y professionals make a conscious effort to not allow work to encroach into their personal time. They are more resolute than their managers in separating their working hours from their personal time (Figures 7 and 8). The implication is work is associated with the work place and once out of the office, they are much more detached from work than their managers.

Figure 7: Dealing with work during personal time

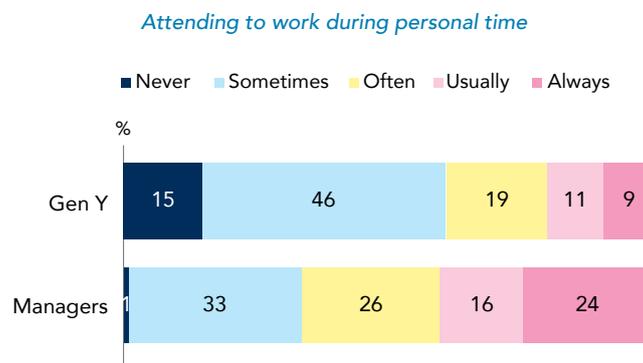
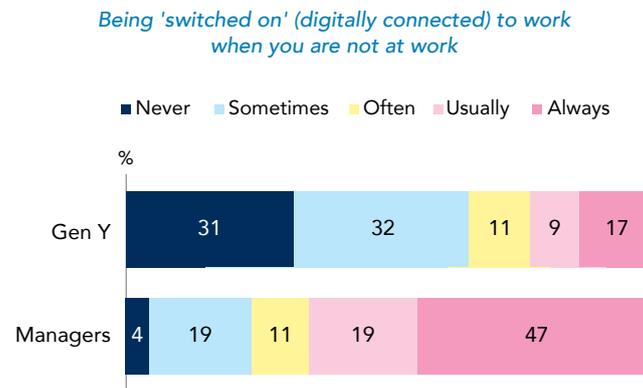


Figure 8: Digital connection to work during personal time

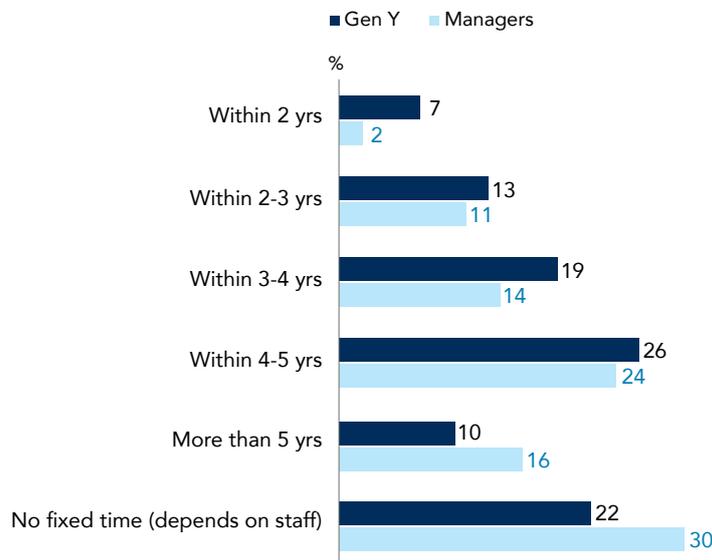


These findings speak to working style rather than to commitment to work as such. Conflating the two is perhaps the reason why Generation Y is tagged, unfairly in this case, as having poor work conduct compared to managers of earlier generations. Although both groups work equally long hours each week, Generation Y employees cherish their personal time and would, to the extent possible, safeguard it from work. The line between personal and work time is, however, almost non-existent for managers. It is a regimen they are accustomed to and readily accept. It could be a potential source of conflict if they fail to recognise their Generation Y staff follow a different working style.

Patience on the job

Generation Y professionals, in general, are seen as overly ambitious and assertive, impatient to rise through the ranks without having to earn their stripes. However, the professionals surveyed in Singapore have a modest and pragmatic timeframe for their professional progression, not too different from the views of their managers (Figure 9). Nearly three out of five Generation Y professionals do not expect to move into managerial roles in less than 4 years, and one out of four accept their progression to the managerial level is not based on time but rather on one’s efforts. The average timeframe for Generation Y’s expectations to move up is 3.6 years, which is close to their managers’ average of 3.9 years.

Figure 9: Expected time to move into managerial role



GEN Y AND THE ORGANISATION

What Gen Y wants

At the organisational level, factors considered important to Generation Y professionals can be grouped into three clusters:

- **Compensation and security**
 - attractive remuneration and job security
- **Professional progress and development**
 - career advancement, personal development and training, being assigned to challenging and interesting projects, opportunity to utilise their capabilities and knowledge, and having good managers/leaders to make this possible
- **Quality professional environment**
 - good work-life balance, good location where individuals are valued and treated with respect.

The top five factors identified by Generation Y cut across these clusters. 'Career advancement' and 'high salary' outrank other considerations by a wide margin. They are followed by having 'good managers/leaders', which ranks ahead of 'good work-life balance' which many might expect to feature more prominently on Generation Y's checklist of priorities. 'Personal development and training' rounds out the top five list (Figure 10).

Figure 10: Factors of importance to Gen Y in an organisation



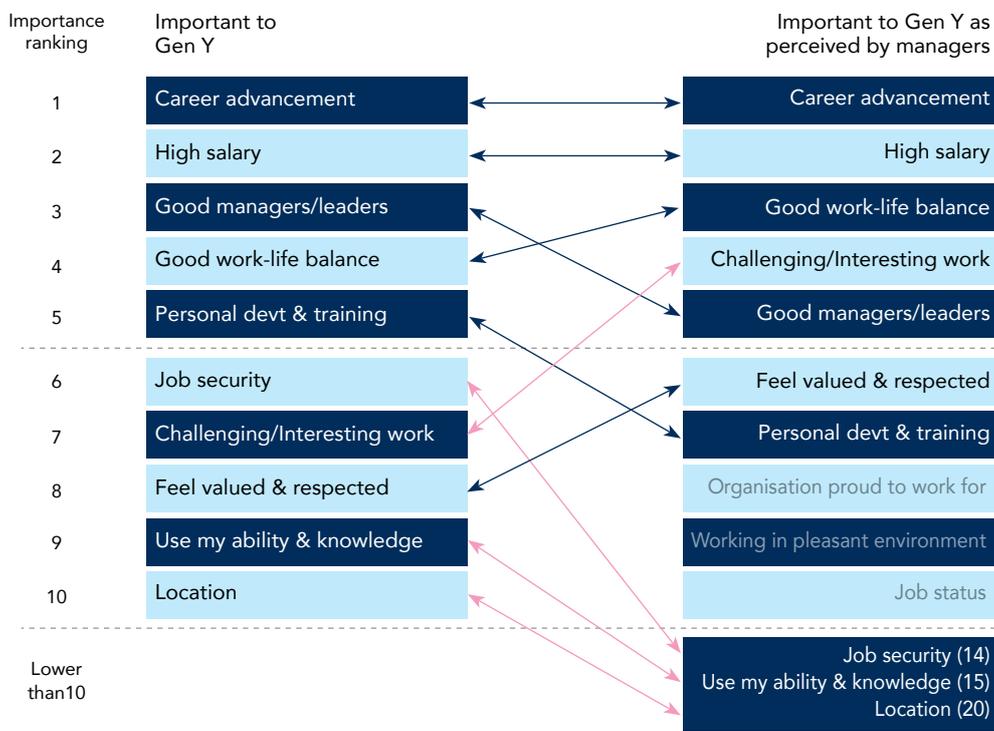
Note: Weighted importance is computed based on % who considered factor important, and the % who ranked it most, 2nd most and 3rd most important.

The point of interest in these priorities is that while Generation Y are certainly ambitious, they are aware their ambitions are best served by being adequately equipped to perform their jobs (personal development and training) and by having good managers to coach/guide them. Inward-looking aspects like feeling valued and respected or enjoying a comfortable job location, while desired, feature lower on the list.

Just as interestingly, managers are quite perceptive in their assessment of the organisational factors that matter to their Generation Y staff. Seven of the top ten factors considered important by Generation Y are also on the managers' list. The close alignment of Generation Y's top five priorities with those of the managers (Figure 11) is particularly striking on the first two elements.

The absence of major differences between most of the priorities of Generation Y and the perceptions of their managers suggests a good appreciation among managers of their young staff's organisational needs and considerations. This is at variance with the general belief that managers do not understand Generation Y workers.

Figure 11: Ranked importance of organisational factors



Note:

- ↔ Difference in importance ranking of **3 or less** between Gen Y and managers
 - ↔ Difference in importance ranking of **4 or more** between Gen Y and managers
- Factors in grey fonts not ranked in top 10 by Gen Y

Meeting their expectations

Financial institutions in Singapore are doing well in meeting Generation Y's expectations on most counts. However, they need to do more in delivering on the two factors deemed most important by the segment – career advancement and high salary (Figure 12). Only six out of ten Generation Y professionals (59%) feel their current organisation is meeting or exceeding their expectations on career advancement. Similarly, only four out of ten (41%) feel their expectations on high salary are being met or exceeded. The next tier of factors financial institutions need to take note of are personal development and training, good work-life balance, and making Generation Y feel valued/respected. While they are meeting these expectations reasonably well on these, more could be done.

Figure 12: Effectiveness in meeting the organisational expectations of Gen Y



These findings have sector-specific nuances. Financial institutions have a reputation for somewhat hierarchical structures and conservative staffing policies. They are facing unprecedented challenges in the form of automation, digitalisation and aggressive competition from non-conventional FinTech firms. Most are in a state of flux, undergoing important structural changes to remain competitive. This poses both opportunities and challenges for Generation Y. Their relatively higher proficiency with digital technologies can translate into quicker career progression. On the other hand, increasing automation and digitalisation can mean fewer jobs and fewer promotional opportunities. This may explain why, in spite of not being wholly satisfied with their career advancement, a larger than expected proportion of Generation Y professionals have stayed with the same organisation longer than expected and the importance of 'job security' for them.

Financial institutions are also known to be one of the highest paying sectors in many economies¹⁴, especially so in a global financial hub like Singapore. It would seem odd, therefore, that their Generation Y employees feel their high salary expectations are not being wholly met. The most plausible explanation is the sentiment might be relative to other financial institutions and/or to entry level compensations in the broader job market.

¹⁴ Kiersnerr Gerwin Tacadena, "Finance posts dominate highest paying jobs in Singapore", *Singapore Business Review*, 23 June 2017.

GEN Y PROFESSIONALS AND THEIR MANAGERS

Generation to generation

Most Generation Y professionals surveyed have been in the workforce for a considerable duration and have gained a reasonable amount of work experience. However, lack of experience was a key concern for them when they first started working, a concern shared by their managers (Figure 13).

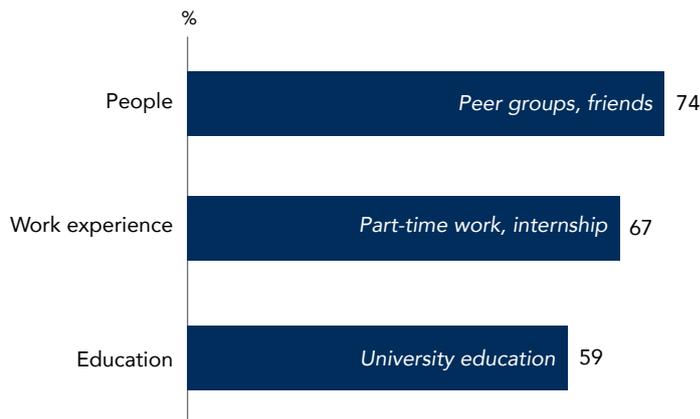
Figure 13: Professional gaps at start of working life



Although Generation Y professionals had the necessary formal education to prepare them for working life, many were not particularly confident about applying this formal knowledge to the actual working environment. The widest gap between the perceptions of Generation Y and their managers relates to leadership and management skills, which is to be expected with any new recruits regardless of generational differences. Other gaps mentioned relate to soft skills that can be acquired only through working experience. By and large, managers are astute in their assessment of the initial professional gaps in their Generation Y staff.

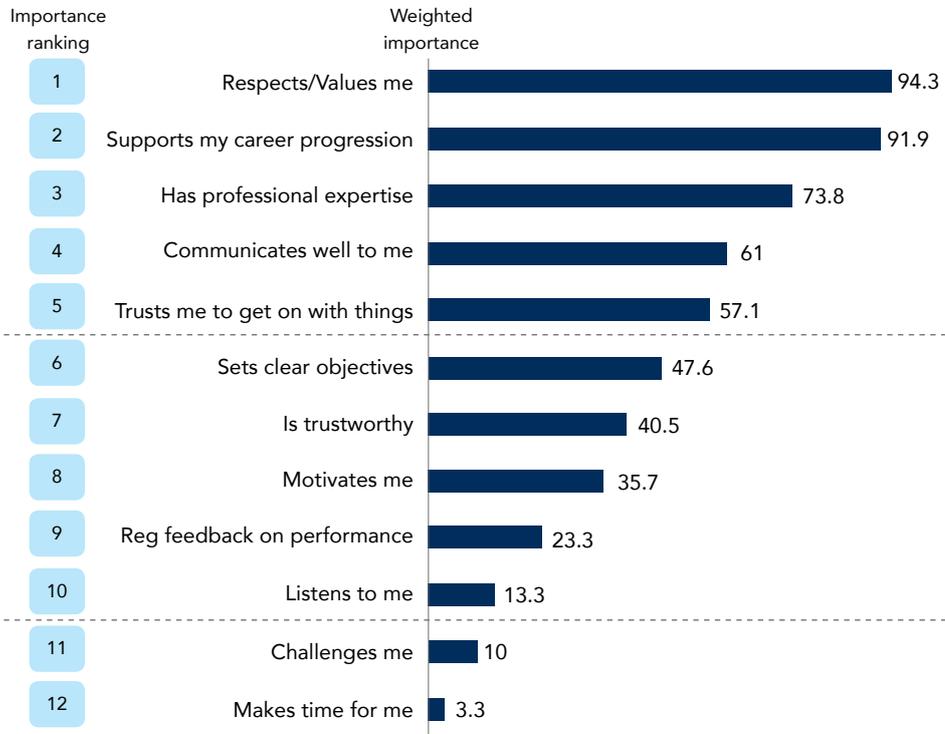
For a large majority of Generation Y professionals (74%), advice and guidance from peer groups and friends were the most helpful in preparing them for working life. They value this over pre-career work experience and formal education (Figure 14). This has significant implications for the importance they attach to personal coaching and mentoring in the workplace.

Figure 14: Factors preparing Gen Y for the working life



Generation Y professionals place considerable importance on managers valuing and treating them with respect, and in supporting their career advancement (Figure 15). Apart from wanting managers who can communicate effectively without micromanaging them, they expect them to be competent and possess the necessary professional skills and expertise. They feel this is crucial to their professional growth and career progression, which feature prominently as a priority at both organisational and managerial levels.

Figure 15: Key managerial qualities of importance



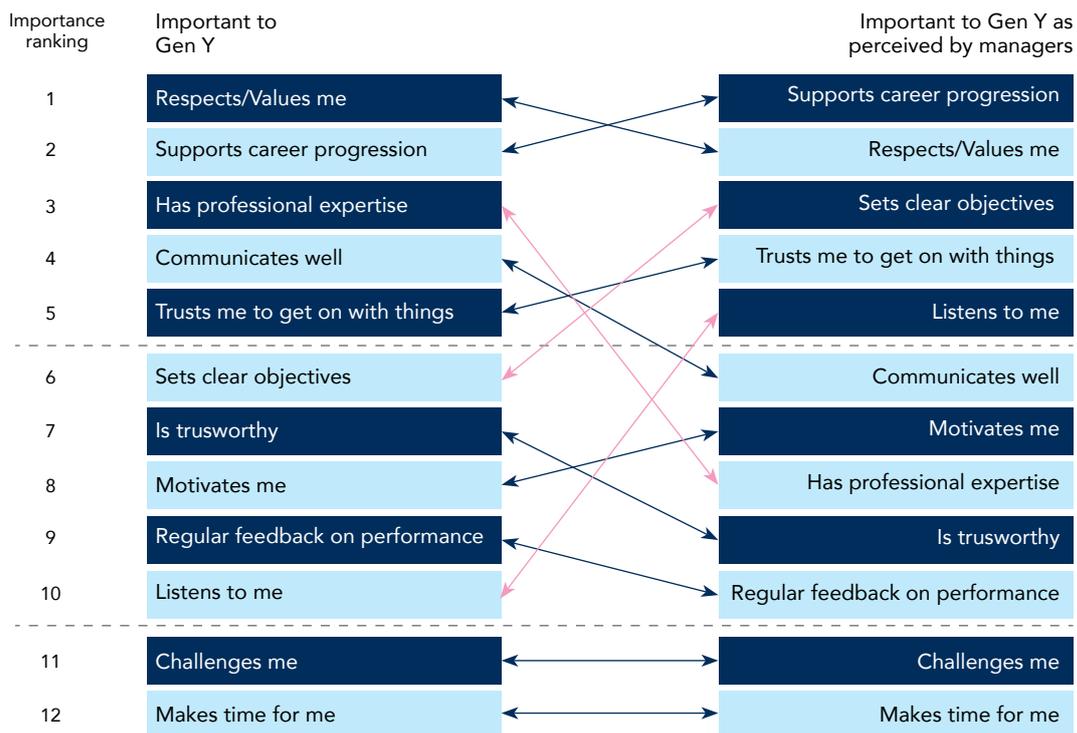
Note: Weighted importance is computed based on % who considered factor important, and the % who ranked it most, 2nd most and 3rd most important.

The top managerial qualities Generation Y looks for fit in well with what managers feel matter to the segment (Figure 16). The major differences lie in the following:

- ‘Has professional expertise’ – this is ranked significantly lower by managers, presumably because they have not realised their professional competence matters to the younger generation
- ‘Listens to me’ – this is considered significantly more important by managers, perhaps out of a keenness to better understand the newer generation of employees, whereas the employees themselves attach more importance to guidance on new skills
- ‘Sets clear objectives’ – this is seen to matter more from the managers’ perspective, possibly driven by the notion the younger generation needs specificity with any assignment or task.

Figure 16: Ranked importance of managerial qualities

Gen Y priorities vs. managers’ perception of Gen Y priorities



Note:

↔ Difference in importance ranking of **3 or less** between Gen Y and managers

↔ Difference in importance ranking of **4 or more** between Gen Y and managers

However, the differences are much greater between Generation Y and managers if the same attributes are compared against what managers consider important in managing the segment (Figure 17). Significant disparities are observed across *all* rankings except for the following:

- Respecting/Valuing staff – consistently ranks within the top three by both groups
- Being trustworthy – occupies an average importance ranking with both
- Listening to staff – ranks low for both

This is an intriguing insight. Although managers intrinsically have a different view on how to deal with Generation Y, they are at the same time quite aware of the managerial qualities they should display to better address their needs. While this speaks to their perceptiveness, it carries an element of risk. Some managers could slip into their default management mode and get alienated from their younger staff.

Figure 17: Ranked importance of managerial qualities



Note:

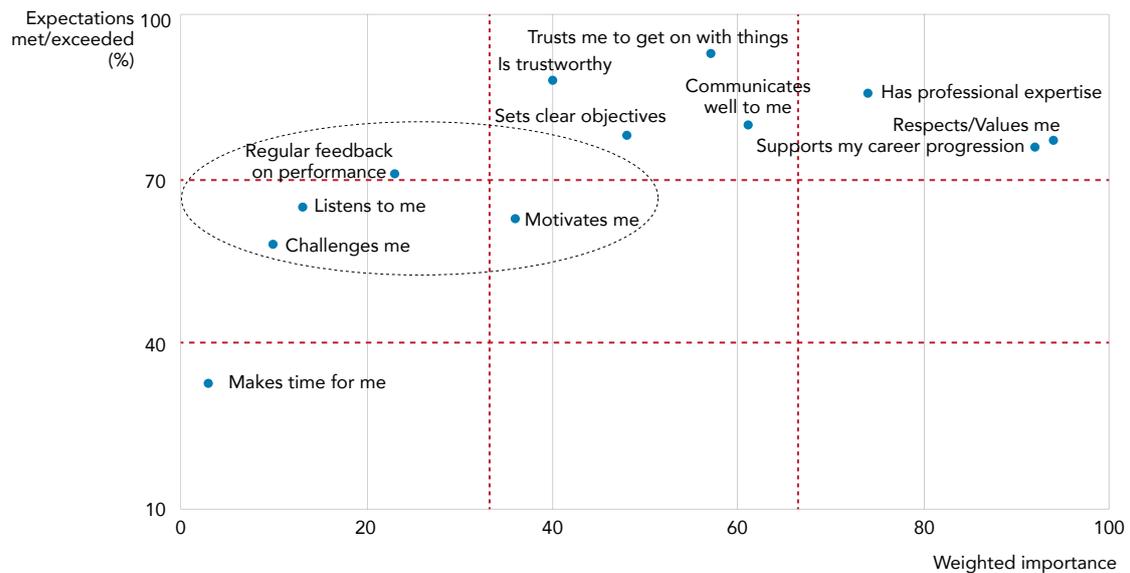
- ↔ Difference in importance ranking of **3 or less** between Gen Y and managers
- ↔ Difference in importance ranking of **4 or more** between Gen Y and managers

A bridge not so far

Any shortfall between the expectations of Generation Y and the ability of their managers to fulfil them is outweighed by other areas of convergence. Some difference in views is to be expected between any two generations. The more important question is whether this poses a serious barrier to a good working relationship. The evidence suggests it does not.

Managers are meeting the expectations of Generation Y for the most part, especially on the parameters that matter most to the segment (Figure 18). On the two most important qualities – respects/values me and supports my career progression – they are meeting or exceeding the expectations of more than three-quarters of Generation Y employees. Furthermore, the large majority (86%) of Generation Y staff are of the view managers are equipped with the necessary professional expertise to mentor and guide them.

Figure 18: Effectiveness in meeting the managerial expectations of Gen Y



A sizable proportion of Generation Y professionals (35-40%), however, feel managers are not meeting their expectations on certain attributes, predominantly those of lower importance:

- Motivating staff (ranked 8th in importance)
- Regular feedback on performance (ranked 9th in importance)
- Listening to staff (ranked 10th in importance)
- Challenging staff (ranked 11th in importance)

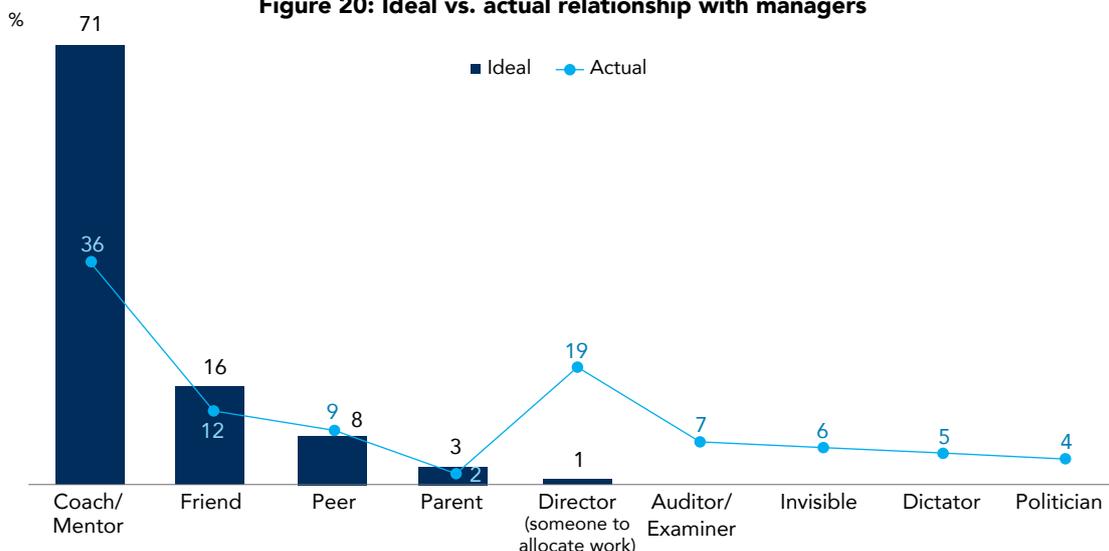
The most important areas in which Generation Y looks for change in their managers concern gaps observed earlier, either at the organisational or the managerial level. They relate to managers assisting them to improve their compensation and benefits, providing feedback and guidance on their work, and assisting their career advancement and training (Figure 19).

Figure 19: Key change required of managers



How does this translate into the ideal relationship they would like with their managers? More than two-thirds (71%) want managers to be their coaches or mentors (Figure 20). Of these, only about four out of ten have their wish fulfilled. The remainder see the manager as a director (who primarily allocates work), or an examiner/auditor or, worse, a dictator. Some (16%) feel the manager is more a peer or friend, but who does not coach or mentor them.

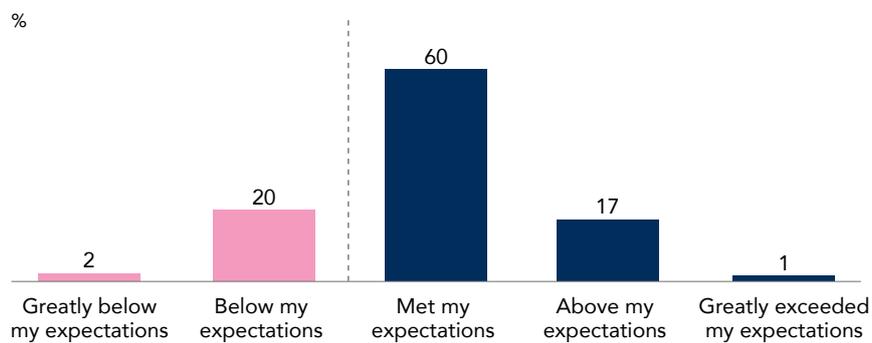
Figure 20: Ideal vs. actual relationship with managers



IN THE BALANCE...

Not all of the expectations of Generation Y are met by their organisations and managers. But this can be said of any generation, sector or country. The key discovery of this survey is that Generation Y in Singapore's financial services sector is content by and large. Dispelling the negative imagery they are associated with, the vast majority are satisfied with their professional life to date. Almost four out of five (78%) say work has met or exceeded their expectations (Figure 21). Even if their priorities of career advancement and high salary are not wholly met, organisations have been able to compensate for these by matching most of their other priorities. Similarly, while managers might not quite live up to their ideals, they are more than tuned in to the needs of their Generation Y staff and have succeeded in establishing a healthy working relationship conducive to the needs of both Generation Y and the organisations that employ them.

Figure 21: Level of expectations met



For the minority of Generation Y (22%) whose professional lives have not quite measured up to what they were looking for, a key reason is the organisation and their managers are not meeting their expectations on their top priorities (Figure 22). Additionally, it is more challenging for these professionals to separate their personal and working lives, with a much higher than average level of work encroachment into personal time.

Figure 22: Unmet expectations of the minority



Note: Number in circle indicates ranked importance

CONCLUSION

The new old generation

Generation Y professionals employed in the Singapore financial services industry defy their clichéd caricature as self-centred, recalcitrant job-hoppers with a poor sense of work commitment. This should be welcomed by government and industry leaders alike.

The profile of Generation Y professionals emerging from this survey credits them with the following positive qualities, most of which at one time may well have been associated with the generation to which their managers belong:

- They are resilient and willing to work hard. They work long hours and put in as many working hours as their managers in a typical week
- They are committed professionally to their work and organisation. There is a high level of willingness to 'go the extra mile' in their jobs, and they are personally motivated to help their organisations succeed
- They are willing to invest the time and effort to progress to a managerial role. Their estimate of the timeframe is not too different from that of their managers
- Nearly half of them have been attached to their current organisation for more than three years. Taken together with their exit plans, their average expected service duration with the same organisation is more than 8 years, hardly the picture of frequent job-hoppers
- They are not lazy, but they do draw a clear line between personal and work hours. A good work-life balance is important to them. This is a matter of style, rather than of substance
- They seek appreciation and respect as valued professionals even if they lack the experience or necessary technical knowledge. This natural yearning can be misconstrued as them being self-centric and demanding attention
- They do not challenge authority for the sake of it, but they do expect their managers to have the necessary professional expertise to coach and mentor them, and help them grow professionally.

Grooming for tomorrow

Generation Y is an important and growing segment of Singapore's workforce in both numbers and talent potential. Those employed in the financial services industry are industrious, dedicated and committed. While their overall sentiments towards work and working life are quite positive, more could be done to bring out their best and groom them for greater responsibilities in the future.

The more critical gaps between Generation Y's expectations and satisfaction levels seem to be associated with organisational structures and policies rather than with managerial style and skills. The two key gaps are with 'career advancement' and 'high salary'. While these might be specific to the conditions in the organisations covered by the survey, it might be prudent for financial institutions at large to review their career planning programmes for this segment and seek more active feedback from their Generation Y employees before settling on specific policies. Doing this in tandem with a review of training and development programmes could help alleviate concerns about opportunities and barriers to career advancement.

The issue of compensation could be trickier to address. As noted, the financial services industry worldwide is in the process of repositioning itself to adjust to a fast-changing landscape. The implications of this for Generation Y's expectations are not fully known beyond the understanding there will be winners and losers. The industry's demand for specific skills sets identified closely with Generation Y, especially those related to digital technology, is poised to rise. At the same time, rapid digitalisation and automation could lead to an attrition in job opportunities. What would be considered an 'attractive' salary would depend on the number of openings within an organisation and the specific skills they call for.

Just as pertinent, the financial services sector is already the highest paying in Singapore. The high salary expectations of its Generation Y employees would, thus, appear to be counterfactual. The gaps identified against this criterion are likely to be specific to organisations relative to other similar organisations within the financial sector. It is also quite possible the entry and early level salaries offered by financial institutions to Generation Y staff do not rank at the top in the broader job market in the economy. Financial institutions might want to reassess their salary scales for positions and levels specific to their Generation Y staff as compared to other sectors/industries.

The yearning of Generation Y professionals to be valued and treated with respect might be less problematic to resolve. As the gap is felt more at the organisation level, financial institutions could rethink their corporate culture, with senior management adopting a more approachable stance and tone through frequent and congenial interactions with their younger employees. They could also examine the potential for modifying their traditional pyramid-like structures in favour of flatter structures to keep pace with the changing times.

Lastly, managers of Generation Y professionals could make a greater effort to coach and mentor them to grow professionally and advance in their careers. A keener understanding of the value placed by Generation Y staff on separating their working time from their personal time would help retain promising talent with a different approach to work.

The Generation Y workforce in Singapore's financial services industry is talented and committed, with a promising future. Much of the credit for their positive outlook towards work goes to their managers who demonstrate a close understanding of this younger generation. The ones who deserve the final kudos are the Generation Y professionals who took part in this survey. Their professional maturity and poise, together with their adaptability to the realities of working life should silence those who have criticised them in the past.

PROFILE OF RESPONDENTS

Insights are based on responses gathered from Generation Y professionals and managers in the financial services industry through an online quantitative survey which ran from December 2016 to October 2017.

Generation Y professionals

Sample size of n=214

	Respondents	%
Age		
20-24 years	14	7
25-29 years	92	43
30-34 years	108	50
Gender		
Male	101	47
Female	113	53

	Respondents	%
Education		
Diploma or lower	39	18
Bachelor's	165	77
Master's	10	5

Note: Certain % may add up to more or less than 100% due to rounding off error

Managers of Gen Y

Sample size of n=70

	Respondents	%
Age		
35-39 years	10	14
40-44 years	21	30
45+ years	39	56
Gender		
Male	40	57
Female	30	43

	Respondents	%
No. direct reports		
1-5	30	43
6-10	15	21
More than 10	25	36

Note: Certain % may add up to more or less than 100% due to rounding off error

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