

Human Resource  
Advisory Services

# Malaysia's Gen Y unplugged\*

A 2009 PricewaterhouseCoopers survey on millennials at work

\*connectedthinking

PRICEWATERHOUSECOOPERS 

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# Foreword

Under any circumstance, managing people is challenging – sometimes, more art than science. Leading an organisation in which almost two-thirds of our people are the misunderstood Generation Y (Gen Y) especially under today's economic conditions, requires insight and a fine sense of balance.

As part of PricewaterhouseCoopers' efforts to help our clients navigate the challenges of tomorrow's world, we launched *Managing tomorrow's people – the future of work to 2020*; a report on people management and the HR function of the future. In a follow-up to this, our Malaysian Human Resource Advisory team decided to look at the leaders of the future, the very same Gen Y employees of today. We polled them on what they expect out of their jobs now and in 2020, during one of recent history's most challenging scenarios.

The result of our survey is an interesting study of a group of employees which is both vastly different from their managers, and which brings unique skills and perspectives to the table. I hope you find this report useful in understanding your own Gen Y employees so you can better maximise their potential. Today's business leaders are custodians of our world and our businesses, and it is our duty to ensure that the leaders of tomorrow are capable of taking them and improving them beyond our imagination.



**Dato' Johan Raslan**  
Executive Chairman

“The Gen Y are an opportunity for businesses to put ourselves ahead in the game, provided we can navigate the Gen Y's unique abilities, which can sometimes also be their biggest flaws. Figuring out how to make the most of their potential – now, that will be a leader's challenge.”

# About the survey

In 2007, PricewaterhouseCoopers (PwC) published a report on the future of people management. This report, *Managing tomorrow's people – the future of work to 2020*, focused on the people impact of new business models and the ramifications for people management and the Human Resource function.

Following that publication, a second survey was launched to examine the thoughts and expectations of a new generation of workers, known as the millennials.

This global study, *Millennials at work – perspectives from a new generation*, surveyed 4,271 graduates from 44 countries in September 2008. The regional breakdown included: 1,004

in North America and the Caribbean, 943 in Asia, 759 in Western Europe, 481 in Central and Eastern Europe, 215 in South and Central America, 139 in Australasia and the Pacific Islands, 67 in Middle East and Africa.

## The Malaysia survey – participant demographic

In PwC Malaysia, the millennials or Generation Y (Gen Y), make up approximately 62% of our workforce<sup>1</sup>. In January 2009, we heard from 346 of them – their views of the world of work in 2020, how they expect their environment to evolve, and the current economic crisis. These 346 respondents:

- Were predominantly under the age of 25 (61%)
- Were two-thirds female (67%)

- Have been in the workforce for 2-5 years (73%)

Our sampled population differed slightly from the global survey, which studied graduates who were due to begin working for or were already working for PwC. This could contribute to some of the key variances between the Malaysian and global results.

Throughout this report, we have quoted the respondents verbatim. The findings and conclusions from this survey are combined with insights from the global report, our previous analysis on the future of work and other data sources.

<sup>1</sup> As at 31 January 2009, based on a total headcount of approximately 1,800 employees

# Plug into the Gen Y frame of mind



## Applying the data

As the survey was conducted solely on employees of PwC Malaysia, it is important to note that while the results give us valuable insight into the views of the Gen Y, they are clearly not a proxy for the entire group, locally or globally.

Throughout this report, we compare our local findings with that of the global survey, so that we can provide insight into the similarities and uniqueness between both samples.

## Who are the millennials?

The term millennials, or Gen Y, describes someone born immediately after 'Gen X'<sup>2</sup>. The exact range of birth years that constitute the millennial generation is not defined, however it is generally accepted as those born in and after 1980.

For purposes of the Malaysia survey, we refer to the millennials as those born from 1980 onwards, and who have entered the workforce after 1 July 2000.

The contents of this report are specific to Malaysia and is intended to complement the global PwC report, *Millennials at work – perspectives from a new generation*, which can be accessed from this website:

[www.pwc.com/managingpeople2020](http://www.pwc.com/managingpeople2020)

<sup>2</sup> Source: [www.wikipedia.org](http://www.wikipedia.org)

Note: The terms Gen Y and millennials are used interchangeably



An inner peek into  
the millennials'  
minds and why this  
matters to you.

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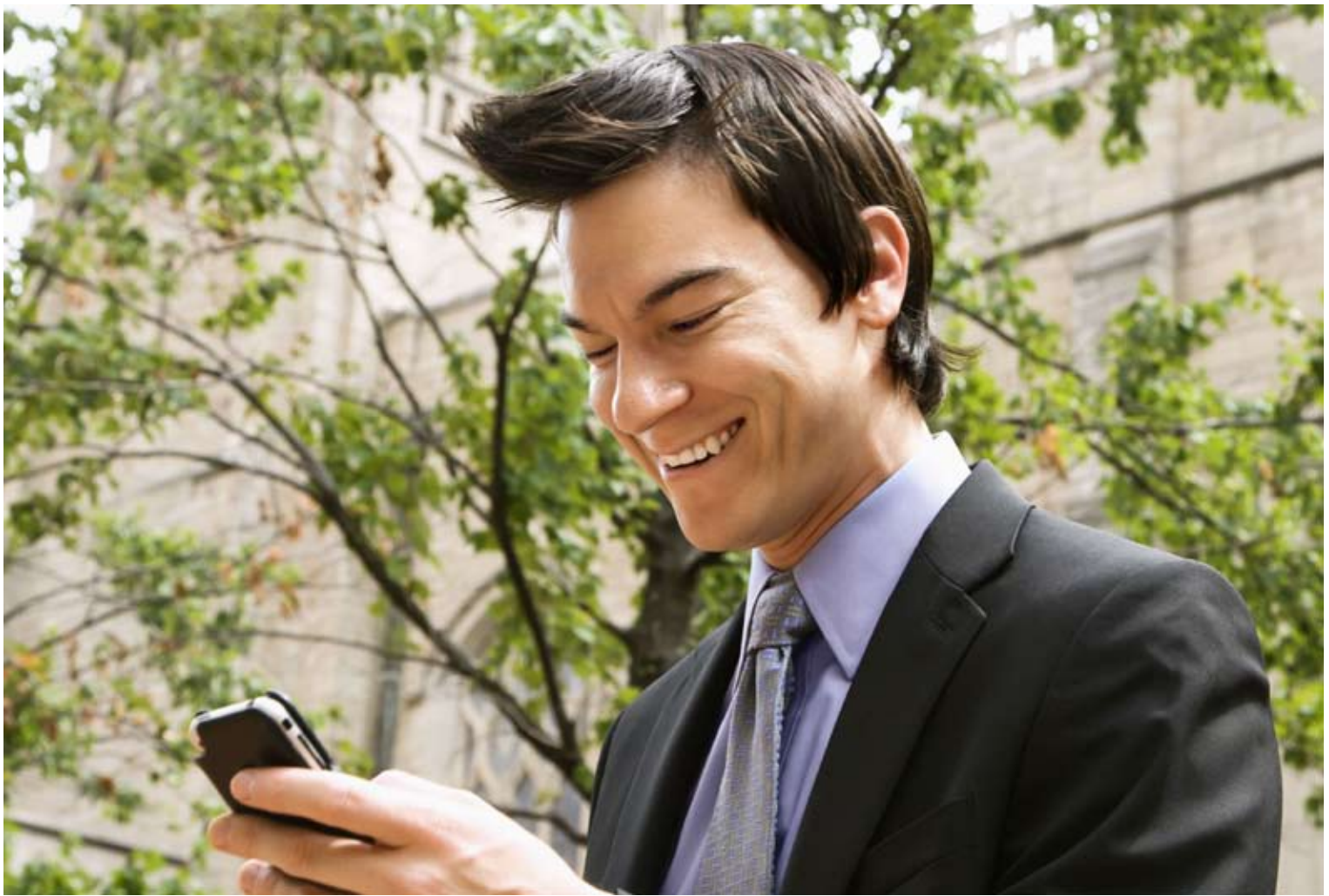
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## Intro

Gen Y: A profile

Y-sing up to the millennials

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Taking them on

# Gen Y: A profile

**Bold.  
Brash.  
Facebooking.  
iPhone lovers.  
Multitaskers.  
Tweeting.**

Blackberry in one hand, an ear to their iPhone and an eye on the latest download. They want to work but they don't want work to be their life.

These are the Gen Y, otherwise known as the millennials. Like them or not, they are here to stay and they're not afraid to let you know.

So much has been written about the Gen Y. And their leaders (those Baby Boomers and Gen Xs) can easily spout a list of defining Gen Y characteristics – the compulsive need to change jobs and employers frequently, the expectation that organisations need to impress them instead of the other way around, and an attitude that sometimes smirks of entitlement.

But are these assumptions true? How much do we really understand of the Gen Y's expectations of and philosophies on work? Have we laid our preconceived notions, rather unfairly, on them?

And even more important - how do we make the most of the Gen Y, especially in these troubled times? How far do we go with managing them and indeed, is it worth it? What is the value of the Gen Y to today's employer?

# Y-sing up to the millennials

## Your cheat sheet on the Gen Y: 10 quick facts

1. **Consistency gets stale.** They want mobility throughout their career lifetime, preferably involving overseas stints.
2. **Job-hopping is overrated.** Debunking the portfolio careers myth, our Gen Y will remain loyal to their employer – as long as they feel fulfilled in their role, that is.
3. **Green is in.** Issues of sustainability and climate change are of major concern, and will affect their career choices.
4. **Can't live without gadgets.** They've grown up with technology – it is part and parcel of their lives, which includes the work they do for a living.
5. **The term work-life balance is passe.** Employers can't just encourage a balance but should provide the means for this balance through more flexible work hours.
6. **Respect my space, please.** The Gen Y maintain clear separation between their work and personal lives, and are unwilling to share too much personal information with their employers.
7. **Coaching welcomed here.** They prefer on-the-job development rather than formalised training, especially working with strong coaches and mentors.
8. **Cash is king.** When it comes to benefits, cash bonuses are valued higher than training and development.
9. **We are all made the same.** They believe in gender equality, where they and their partners will contribute an equal amount of financial support for their households.
10. **I rely on me.** They will take personal responsibility for funding their retirement.

## The world isn't so much their oyster anymore

With the economic downturn, however, the Gen Y will quickly realise that they can't dictate terms of their careers as easily as they once did.

They will quickly learn that:

- Their current job is their greatest asset. Where before they might have been tempted to wait it out until the perfect job came along, these days, they will hang on to whatever job opportunities come their way.
- Basics – integrity, hard work and dedication - are back in fashion in today's climate.
- They will have to venture beyond their comfort zone: taking up non-traditional jobs, performing tasks that they might once have considered as beneath them, or exploring their entrepreneurial side.

They do worry that this downturn will affect their promotions, bonuses and increments. And as cash benefits outweigh other benefits for them, this should motivate them to earn their keep.

The good news is that they are fairly willing to do just that:

- 45% of our respondents say they will work harder to demonstrate their skill level. 40% will pick up a new skill which is relevant to their careers.

They're also more pragmatic than given credit for – almost half indicate they will spend less on entertainment and leisure activities.

# Report highlights – comparison of global and Malaysian findings

The key findings reflect the views and opinions of our Malaysian millennials, which for the most part mirror that of their global counterparts:

- The majority hope to experience work life overseas – 88% expressed the desire to work abroad.
- Corporate responsibility (CR) plays a big role for millennials in their choice of employer with 86% choosing employers with similar corporate responsibility values and 77% stating they would leave an employer whose values no longer matched their expectations.
- Strong coaches and mentors are key to development – 98% of the respondents stated working with strong coaches and mentors was important to their personal development.
- 65% indicated that they plan to self-fund their retirement while only 22% expected their retirement to be funded by their employers' retirement scheme.
- 68% of millennials believe that by 2020, China, Russia and India will have more economic influence than Europe and the USA.
- Job hopping in a portfolio working arrangement is not likely. 86% of millennials believe they will only have between two and five employers and only 3% believe they will have 10 or more employers.

Top of the minds of our Malaysian millennials (findings which differ from the global survey):

- Our millennials are hoping for a shift from traditional Asian work practices. 58% expect to work traditional work hours with some flexible hours and 57% selected flexi-hours as the most highly valued employee benefit.
- Our millennials value privacy – only 29% are willing to share more personal information with their employers.
- Cash is king for millennials – 49% value cash bonuses as one of the most preferred employee benefits.
- Our millennials are on the fence on the current Malaysian economic health. However, almost three-quarters (72%) feel that the global economy is worse off.
- They believe in gender equality. Two-thirds (66%) believe that they and their partners will contribute an equal amount of financial support to support the household.

# Taking them on

Hiring, retaining and developing the Gen Y will require some give and take, as well as a customised strategy.

## 1. Compromise

Give and take between the Gen X and Baby Boomer managers, and their Gen Y employees is inevitable. Managers will have to accept that these millennials want challenge and recognition; and they want it now.

The Gen Y in turn must wake up to the fact that they will never get everything they ask for. They will have to make sacrifices, lower expectations and accept being told what they can or cannot do.

## 2. Coaching & grooming

Robust mentoring and succession planning programmes are two-way streets. They fulfill the millennials' need for recognition and development, and are good practices that organisations which are thinking long-term should have in place.

## 3. Engage them on what matters to them

They want to be heard, so communicate with them regularly and open up channels for them to air their views. They also expect flexibility in their work arrangements, that allow them some balance between personal and office time. The environment, and the wider scope of CR, matters to them so think green in terms of policies and programmes.

## 4. Empower your talents

Given challenges, the best will rise to the occasion. The Gen Y have a unique perspective on things – you might be surprised by what they come up with.

NOTE: Suggestions for how organisations can implement these strategies are in the section *Maximising the potential of your Gen Y*

# Why Y?

## The Gen Y are smart and eager and they don't cost a bomb.

As we endure the ramifications of a global economic downturn, some might ask why we need to be concerned about what millennials think. Many companies are looking to cut back the workforce and reduce people spend to cut cost. Some may be reducing their graduate intake or introducing a total hiring freeze. But in order to achieve long-term growth objectives, it is critical that organisations have the right talent to help them navigate the challenges of a downturn and see them through to the other side. Businesses which cut back now might find that when the economic environment rebounds, they do not have enough of the right people to be in the best position for the upturn and to remain competitive.

Balancing short-term pressures with long-term business objectives is not easy. The businesses which get the balance right and invest in understanding and nurturing the Gen Y will be best positioned to face the future.



## Gen Y's thoughts on...

Global mobility

Sustainability and climate change

Technology at work

Workplace flexibility

Sharing personal information

Portfolio careers

Employee loyalty

Training and development

Retirement

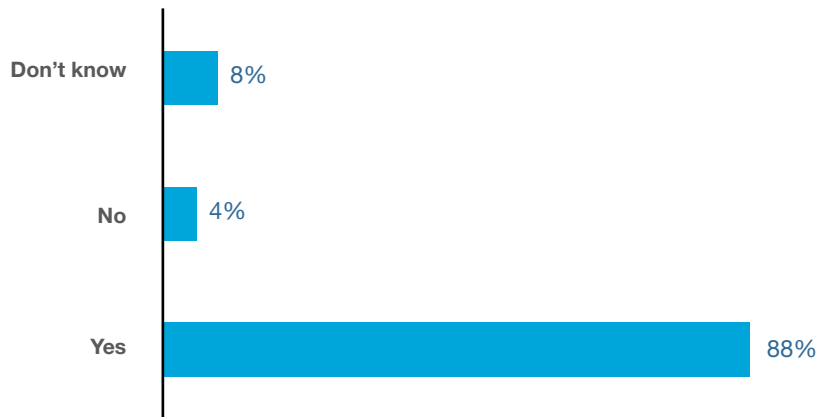
The current economic environment

# Global mobility

We expect global mobility in our jobs, and we want to experience opportunities to work overseas

Almost all respondents (91%) believe they will work across geographic borders more than their parents did. Echoing the global sentiment, our millennials appear very open to the idea of an overseas assignment with 88% wanting to work abroad during their career (see figure 1).

**Figure 1:**  
**Q: Would you like to work outside your home country in your career?**  
**(% who agree)**

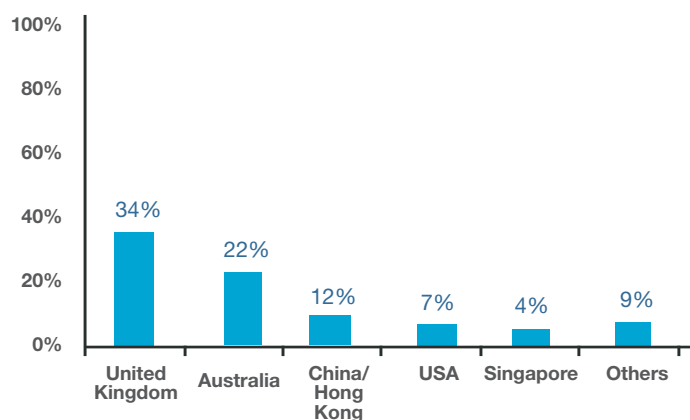


Base: 346 Malaysian respondents

The most desired location is the UK, followed by Australia, (see figure 2). Unlike the global results, where the US topped the list of desired locations, only 7% of our respondents wanted to work in the US. We believe the current US economic turmoil has heavily influenced our millennials' perception of the US as a viable destination for future work opportunities.

Interestingly, the percentage of respondents wanting to work in Singapore is much lower than anticipated; given that the proximity and business environment of Singapore had always appealed to previous generations of employees.

**Figure 2:**  
**Q: Would you like to work outside your home country in your career?**  
**If yes, where would be your preferred destination?**



Base: 346 Malaysian respondents

We expect to use more than one language in our work

English is the predominant first language, with 57% of respondents reporting it as their first language. 86% of the respondents believe that they will be required to use another language at work, with Bahasa Malaysia being the most common other language (see figure 3).

Although English is the primary medium for conducting most work in Malaysia, it is possible that respondents expect to use Bahasa Malaysia and Chinese Mandarin to facilitate greater ease of communication with clients and colleagues of different ethnic backgrounds.

**Figure 3**  
**Q: Do you envisage using a language other than your first language at work? If yes, what other languages do you expect to use at work?**



Base: 346 Malaysian respondents

## Global Mobility - Takeaways

88% want to work abroad during their career

86% believe they will be required to use more than one language at work, with Bahasa Malaysia being the most common other language

# Sustainability and climate change

“I would look for an organisation which values corporate responsibility and also encourages it among its employees.”

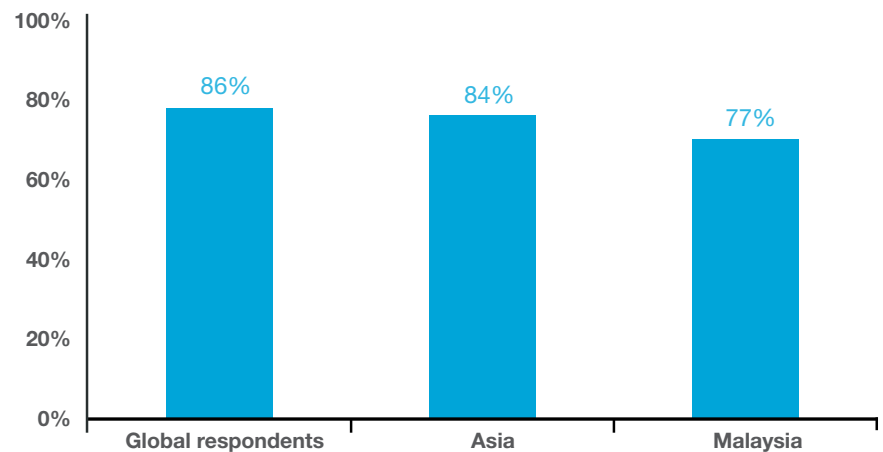
“It is a factor for consideration. More importantly I will NOT work for one which has a poor record of CR”

Our employer must have a strong stance on sustainability and climate change

CR is very important to our millennials, with 86% stating that they seek employers with social responsibility values that reflect their own. In addition, 77% of Malaysian respondents say they would consider leaving an employer whose social responsibility values no longer reflected their own (see figure 4). This figure, although lower compared to the 86% of global respondents and 84% of respondents in Asia, is still significantly high, reflecting the millennials’ concern for sustainability-related issues.

**Figure 4**

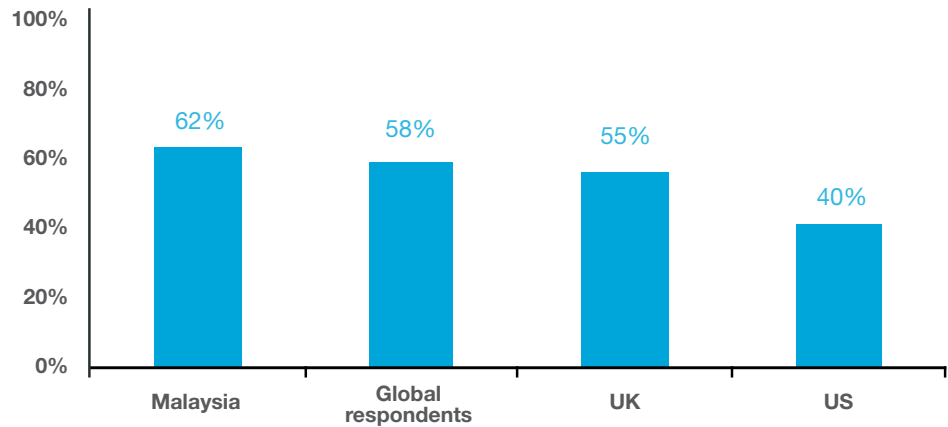
**Q: Would you consider leaving an employer whose behaviour no longer meets your CR expectations? (% who said yes)**



Base: 346 Malaysian respondents

An employer's policy on climate change is also seen as important to 62% of respondents, which is slightly higher than the percentage of global respondents (58%) who felt that it was important (see figure 5). The greater emphasis on an employer's climate change and environment policy on the part of Malaysian respondents might be attributed to the rising level of awareness of the importance of and concern for local community and environmental issues, such as sustaining Malaysia's rainforests and biodiversity.

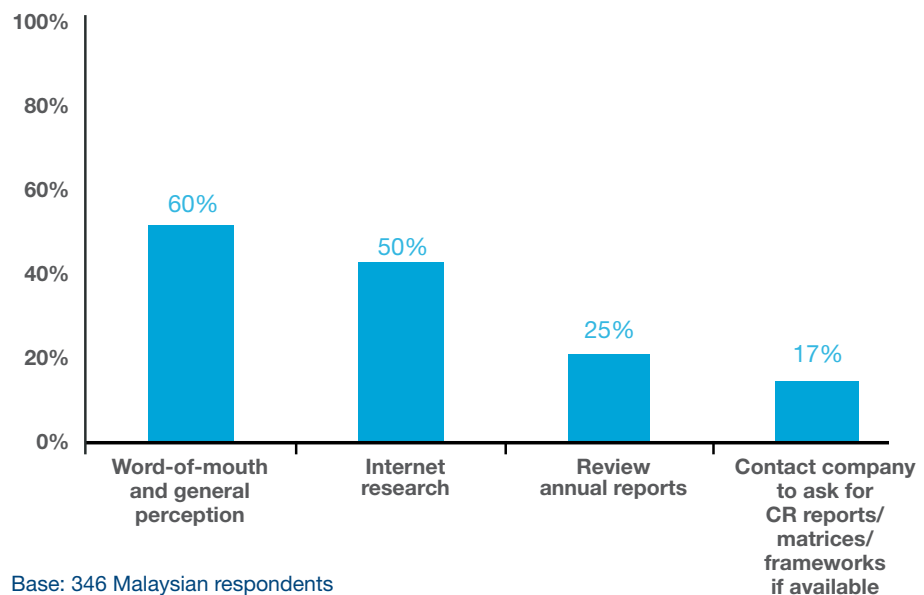
**Figure 5**  
**Q: How important is an employer's policy on climate change and the environment in deciding whether or not you should work for them? (% who felt that it is important)**



Base: 346 Malaysian respondents

Employers clearly should not ignore the influence that CR and climate change, as well as environmental policy, have on the ability of an organisation to attract and retain millennials. Malaysian millennials are likely to keep themselves well informed - most professed to actively seeking out information on a prospective employer's CR stance via the internet or reviews of the organisation's annual reports (see figure 6).

**Figure 6**  
**Q: What effort would you undertake to assess the organisation's initiatives in the area of CR?**



Base: 346 Malaysian respondents

“Private firms will have to do more to convince potential employees that they do value these individual global causes. Perhaps more profit/non-profit partnerships will emerge.”



## Sustainability and climate change - **Takeaways**

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86% will seek employers with social responsibility values that reflect their own

77% will consider leaving an employer if its social responsibility values were no longer in alignment with their own

62% say that an employer's policy on climate change was important

# Technology at work

“I believe in 12 years’ time, employment or the workplace will change in such a drastic manner with the rate technology is growing that it’s impossible to predict what it will be like then.”

“Technology is growing at a rapid pace and in time there will be a cut down in manpower in companies as most systems will most likely be centralised and the need for manpower will decrease.”

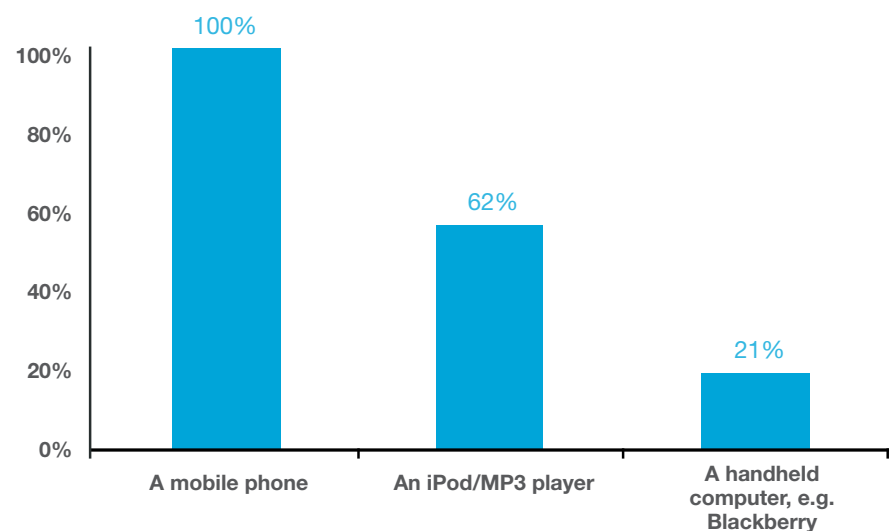
We use technology to enhance our ability to network

Malaysian millennials use technology effectively to network, with almost all respondents (96%) indicating that they are members of a social networking site such as Facebook. This is much higher than the 85% of global respondents who belong to such sites. This connectivity provides employers with the opportunity to leverage these networking sites to reach out to large groups of millennials for recruitment and company profiling purposes.

Not surprisingly, all our respondents own mobile phones (see figure 7) and 62% own an iPod or an MP3 player. Handheld computers are less popular, but we believe that as the capabilities and accessibility of these gadgets improve, the instances of millennials owning one will rise in tandem.

Underscoring the millennials desire for connectivity, all respondents indicated that they have an e-mail account, with 90% in possession of two or more active e-mail accounts. The trend of multiple e-mail accounts may be due to the need for millennials to divide their personal and work-related correspondence, potentially indicating that they like clear boundaries between their working and non-working life.

**Figure 7**  
**Q: Do you have...?**



Base: 346 Malaysian respondents

“Looking at the speed of technological advancements, 2020 looks to be primarily “soho”, where there is connectivity between work and home, and businesses, teams, projects, etc. will have gone virtual. This is a sustainably viable solution to address concerns on climate change and other environment-related issues. Without the need to travel daily on fossil fuel, and with the onset of energy-saving technologies, there are very real benefits to changing the way we work.”

The comments from the survey indicate that our millennials believe strongly that technology will greatly influence the way work is conducted in the future and there is the sentiment that technology will eventually replace the need for large manpower requirements. Some even note the potential of technology, particularly the promise of virtual office spaces to alleviate current environmental woes.

Employers should take note of the millennials’ savoir-faire for using technology to stay connected. This is another opportunity for organisations to differentiate themselves by designing new work methods which rely on technology for success (for example, allowing them to log in or call in to work, from outside the office). These will address the millennials’ need for mobility and their concern for environmental sustainability, as well as their desire for flexibility (described on the following page).



## Technology at work - Takeaways

96% belong to a social networking site, e.g. Facebook

All own a mobile phone

Millennials believe that technology will greatly influence the efficiency of organisations in the future

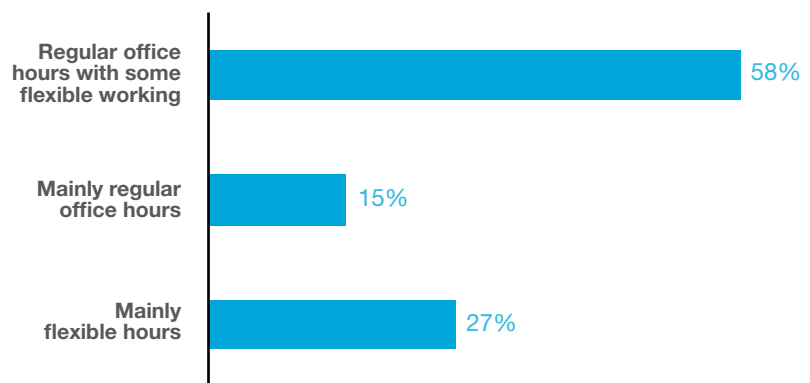
# Workplace flexibility

We do expect some degree of work flexibility

Malaysian millennials demonstrate a desire for some level of work flexibility, with the majority expecting to work regular office hours with some flexible working (58%). Only a minority (15%) expect to work regular office hours throughout their career lifetime (see figure 8).

Although they have come to strive for a degree of work flexibility, the verbatim comments indicate that they do not expect this to occur anytime soon. It is likely that they believe that the perceived Asian mentality of work-life balance, where work takes precedence, will prevail for some time to come.

**Figure 8**  
**Q: Do you think your office hours will be...?**



Base: 346 Malaysian respondents

## Workplace flexibility - Takeaways

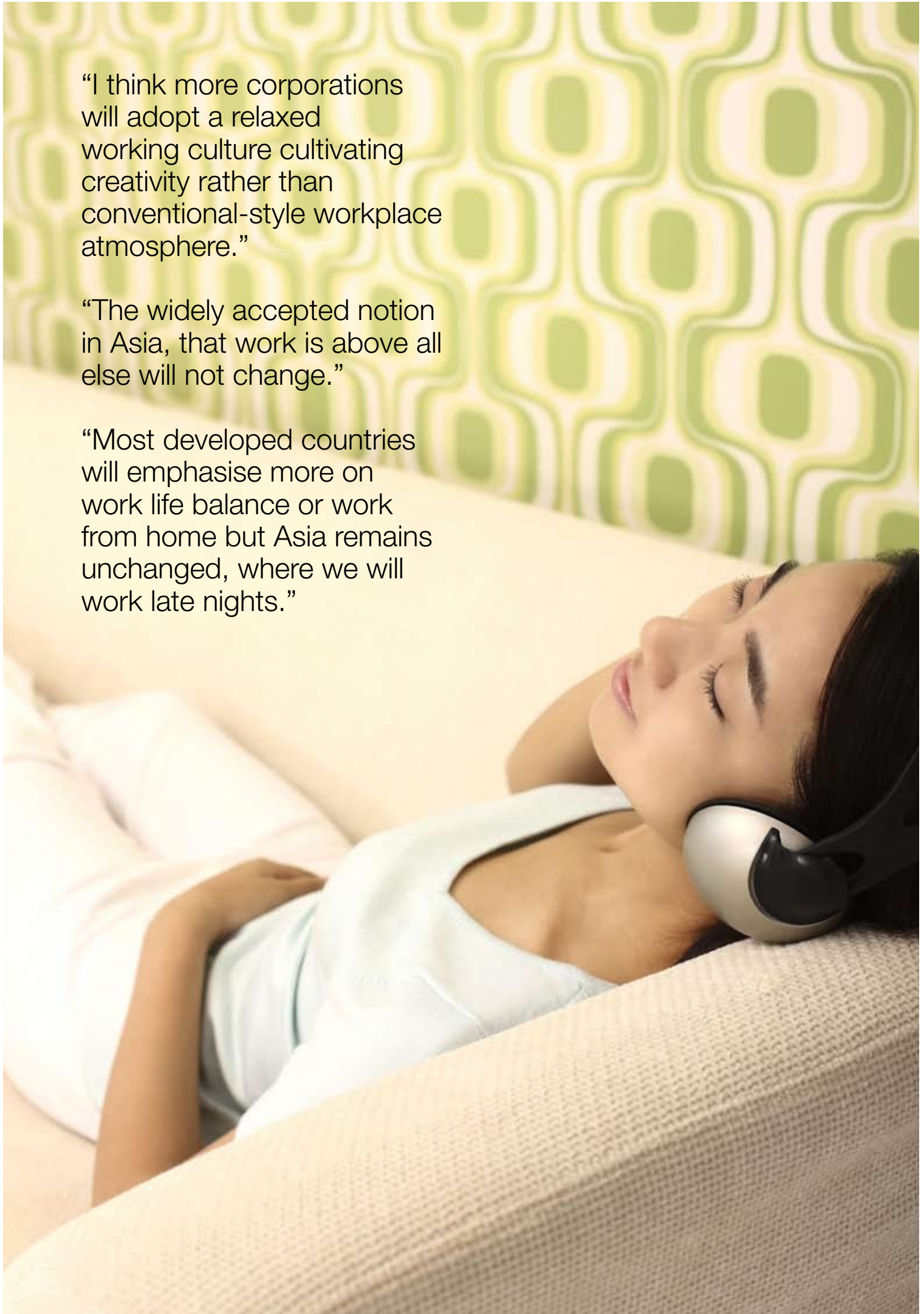
58% expect to work regular office hours with some flexible working

However, the general sentiment is that this work model is only achievable if there is a change in mindset and culture

“I think more corporations will adopt a relaxed working culture cultivating creativity rather than conventional-style workplace atmosphere.”

“The widely accepted notion in Asia, that work is above all else will not change.”

“Most developed countries will emphasise more on work life balance or work from home but Asia remains unchanged, where we will work late nights.”



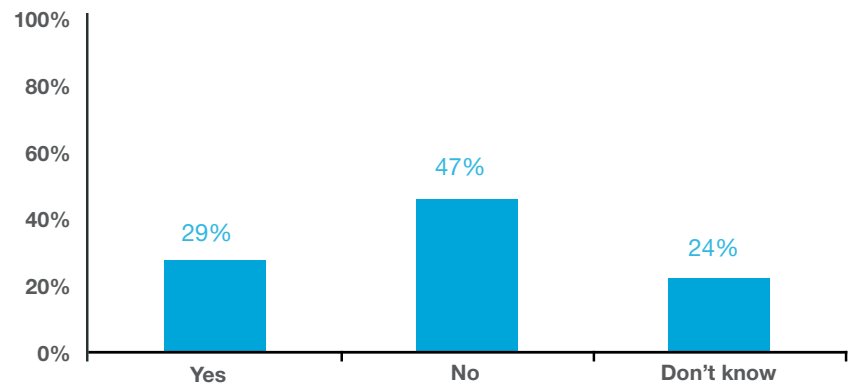
# Sharing personal information

We are not comfortable with sharing too much personal information with employers – the lines between work and home are clearly demarcated

Our global survey indicates that graduates are more inclined to share personal information and give employers greater access to their personal information in the interests of personal and business security. 40% were comfortable with the idea, while 36% were unwilling and 24% did not know.

The Malaysian Gen Y, however, are less in favour of sharing personal information with their employers even in the interests of personal and business security, with only 29% willing to share such information with their employers (see figure 9). Given that they frequent social networking sites, where personal information is posted for public viewing, it appears that they prefer to again maintain clear boundaries between work and personal life.

**Figure 9**  
**Q: In the interests of personal and business security would you be prepared to give your employer greater access to personal information?**



Base: 346 Malaysian respondents

## Sharing personal information - Takeaways

Contradictory to our global findings, our Malaysian millennials are generally uncomfortable with sharing more personal information with employers

This result indicates a preference to maintain the boundary between work and personal life

# Employee loyalty

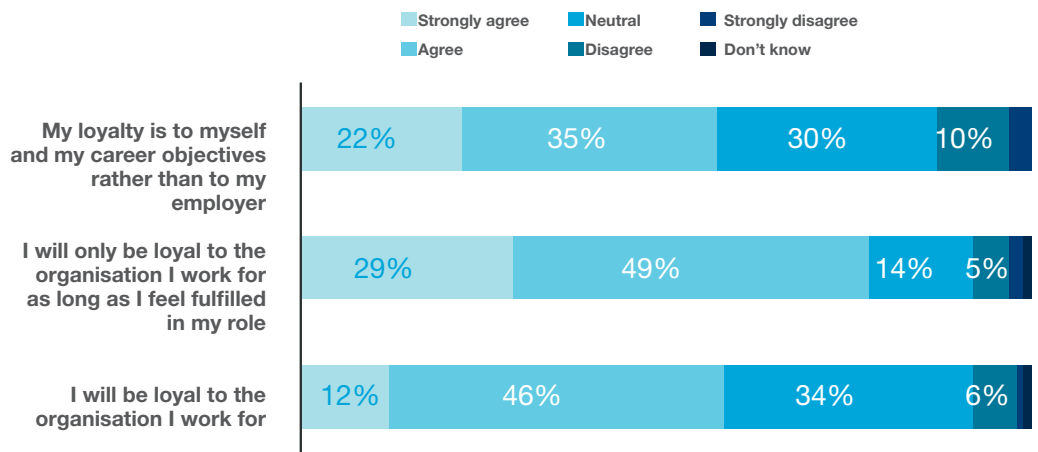
We are loyal to our employers... for as long as it suits us

“Companies will most likely have to oblige or risk losing the individuals who are seeking different experiences.”

“The workforce will be choosing an employer based on its level of ‘attractiveness’ and what will make an opportunity attractive will change. It won’t be solely a financial choice. But rather, a more fulfilling one based on shared values, sustainability and the ‘human touch’.”

Mirroring the global results, the majority of respondents (78%) indicated that their loyalty to the organisation is contingent to the sense of fulfillment they obtain from their current role (see figure 11). Millennials do not feel obligated to remain with a single organisation, and believe that they may very well call the shots in today’s corporate world.

**Figure 10**  
**Q: Please tell us how much you agree or disagree with the following statements.**



Base: 346 Malaysian respondents

## Employee loyalty - Takeaways

Similar to our global findings, the majority of Malaysian millennials will only remain loyal to an organisation for as long as they feel fulfilled in their role

# Portfolio careers

The concept of portfolio careers in the future is a possibility, but not a definite

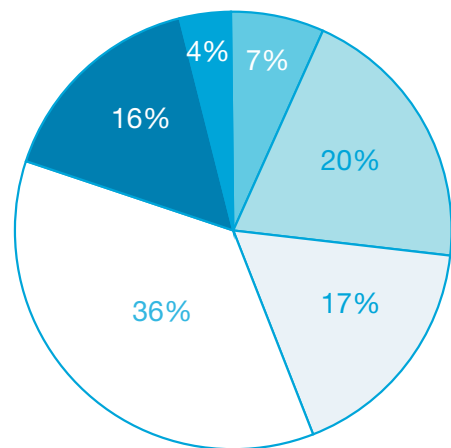
Similar to our global findings, most (86%) of our respondents believe they will have between two and five employers in their lifetime. Only 3% believe they will have 10 or more employers. This result dispels the idea of employees job hopping in a portfolio working arrangement.

However, Malaysian millennials do expect a higher degree of job mobility with 36% saying they would like to experience a variety of different roles and fields within a variety of organisations. 20% expect to progress within the same field in a variety of organisations. Only 7% of the sample expected to remain within the same organisation and in the same field (see figure 10).

**Figure 11**

**Q: Please tell us which of the following best describes the career path you hope to follow**

- 36% Experience a number of different roles/fields in a variety of organisations
- 20% Progress within the field I have been recruited to in a variety of organisations
- 17% Progress within the same organisation but in a variety of roles/fields
- 16% Take the path that permits me the fastest progression
- 7% Progress within the field I have been recruited to within the same organisation
- 4% Don't know



Base: 346 Malaysian respondents

These findings indicate that many millennials are keen to experiment with different career paths, and are willing to be mobile not just across geographical borders, but across traditional corporate boundaries as well.

If this new generation of workers are deemed critical to an organisation's success, employers must now consider what career management strategies they need to integrate into their existing business models to retain the Gen Y. In the long run, companies will stand to benefit from this working arrangement, as they will have access to a pool of talent consisting of multi-skilled and highly experienced individuals.

“I may be doing something which I do not have any background in, i.e. if I major in accounting and have been working in this line for some years, by 2020, I may have totally changed my job to a very different job scope.”

“I believe that people’s ideas of what makes a ‘successful’ career will change drastically by 2020. Now that the corporate sector is looking more unpredictable, work over the next 12 years will diversify. More people will choose careers in fields that they are actually passionate about. There will be new jobs and careers that I cannot even fathom now that will become popular.”

## Portfolio careers - Takeaways

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86% believe that they will work for two to five employers in their lifetime

Only 7% expect to remain within the field and organisation they have been recruited into

Only 3% believe they will have 10 or more employers in their lifetime, dispelling the possibility of a portfolio working arrangement

To maximise the potential of its millennials workforce, organisations must integrate Gen Y career management strategies into their business models

# Training and development

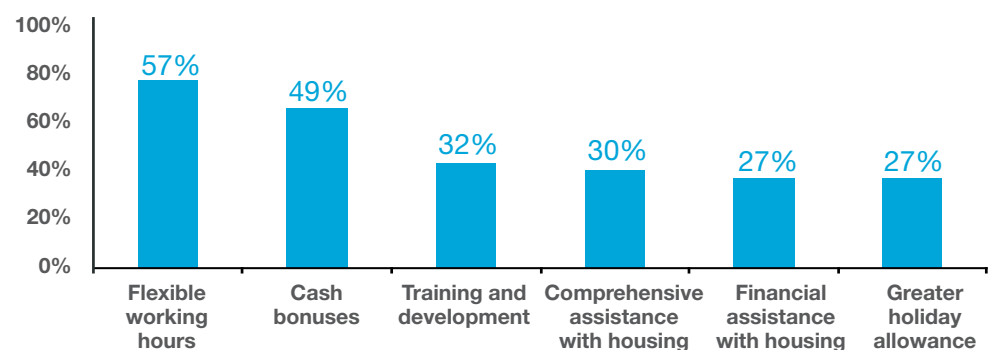
We value flexibility and cash benefits the most

In Malaysia, flexible work hours topped the choices for our millennials (57%), followed by cash bonuses (49%) with training and development opportunities coming in third (32%) (see figure 12). While most of our millennials indicate that CR values are important, only 12% cited time off for doing charity or community work as a top three benefit.

In contrast, the global survey indicates that the most important benefits for the Gen Y are related to training and development activity. Almost one third of respondents chose training and development as their first choice benefit other than salary. This was three times higher than those who chose cash bonuses as their first choice benefit. Also, CR-related benefits were more sought after by them.

The Malaysian millennials' desire for clear boundaries between work and home life is indicated by the type of benefits they perceive to be most valued. The respondents were less enthusiastic over the employers having an influence over personal services such as housing, medical coverage and holiday allowances. Instead, the preference is for the employer to contribute to areas directly affecting their careers, for instance, through the provision of professional development opportunities.

**Figure 12**  
**Q: Please select the benefits you would value most over the next 5 years other than your salary.**



Base: 346 Malaysian respondents

“Individuals will lose their preoccupation with economic security and begin to seek enrichment of their lives through various forms of learning and experience.”

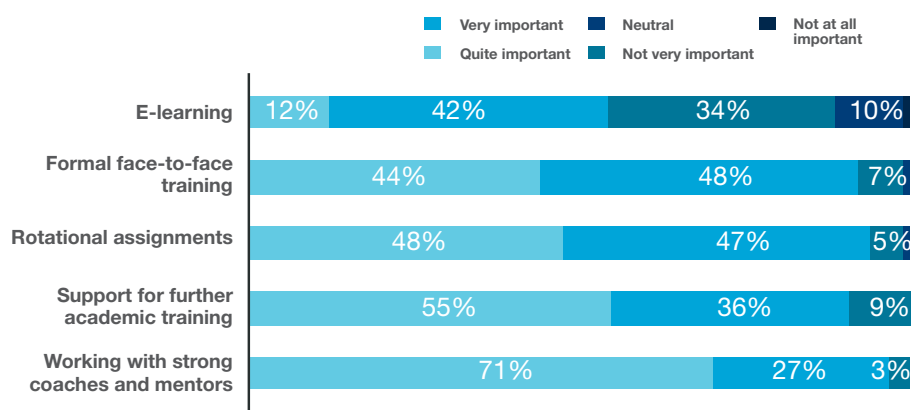
We value experience gained during work over formal training mechanisms

Mirroring the response of our global survey, almost all (98%) respondents stated working with strong coaches and mentors was important to their personal development. All aspects of personal development scored very highly in the survey (see figure 13).

Our millennials indicated a preference for on-the-job development opportunities, such as working with strong coaches and being placed on rotational assignments. Formal training mechanisms (such as classroom and web-based learning) while still perceived as important to millennials' development, are relatively less valued.

Employers once again have to relook how they develop the careers of this generation of workers, whether through formal study or on-the-job exposure, and build such capabilities into their development plans.

**Figure 13**  
**Q: Please tell us how much you value the following development opportunities.**



Base: 346 Malaysian respondents

## Training and development - Takeaways

Contradictory to our global findings, Malaysian millennials value flexible work hours and cash bonuses over and above training and development opportunities

On-the-job development opportunities are perceived as more important to millennials than formal training mechanisms

# Retirement

I will have to take personal responsibility for funding my retirement

65% of Malaysian millennials expect to fund their own retirement through personal investments and saving plans (see figure 14). This finding is in contrast with the responses received from the global survey where Asia had the lowest percentage of millennials (38%) expecting to fund their own retirement with over a quarter of Asian respondents expecting their employer's retirement scheme to meet their needs.

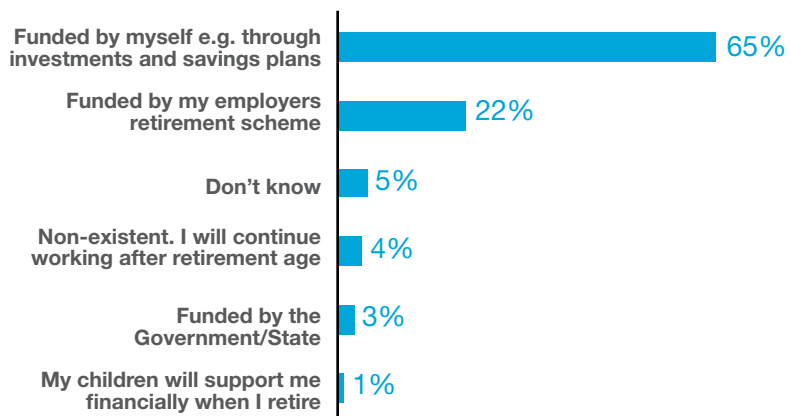
This may be due to a lack of gratuity schemes in the private sector, where companies are more inclined to provide in-employment benefits. In addition, there may be a level of reliance on the Malaysian government-linked Employee Provident Fund (EPF), where both employees and employers have to make a mandatory contribution to an employee's saving plan.

When asked about future income streams for supporting the household, the majority of respondents (66%) believe that they and their partners will contribute an equal amount of financial support (see figure 15), underscoring the millennials' expectations to be largely self-sufficient when funding their future financial requirements.

Given that two-thirds of our survey sample were female, this finding shows their increased expectation for gender equality in the home and workplace. This is another key differentiator between the Gen Y and the generations that precede them.

**Figure 14**

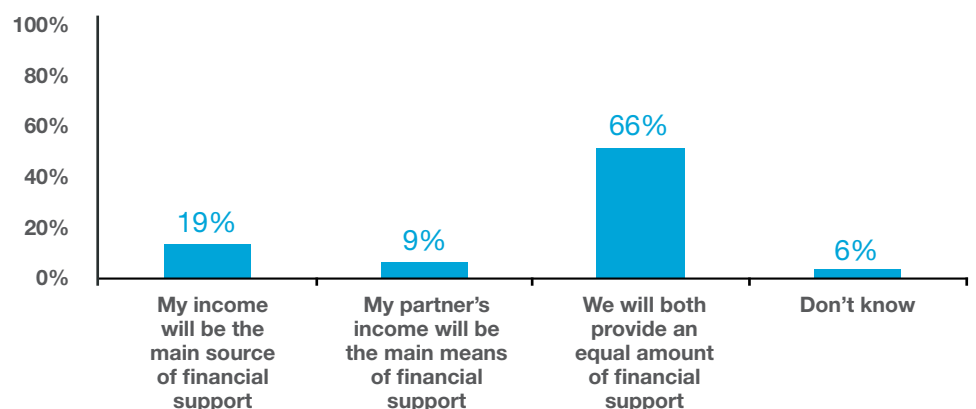
**Q: Do you expect your retirement will be ...?**



Base: 346 Malaysian Respondents

**Figure 15**

**Q: Which of the following do you most expect to be the case about your own future? By 2020, if I am in a relationship or have a family of my own...**



Base: 346 Malaysian respondents



## Retirement - Takeaways

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65% of Malaysian millennials expect to fund their own retirement through personal investments and saving plans

66% believe that they and their partners will contribute an equal amount of financial support to the household, possibly indicating an expectation for gender equality in the home and workplace

# Thoughts on 2020

We presented a series of statements to our Gen Ys relating to the world in 2020.

By 2020, some believe that companies will run their own universities to have the right skills to fulfill their needs (34%), reinforcing the notion that millennials feel that training and development opportunities will grow in importance so much so that companies will run their own universities to meet the demand.

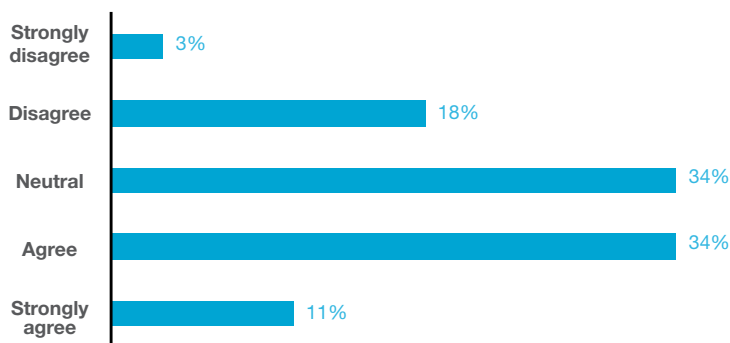
45% of the sample believe that companies will be more influential than governments by 2020 (see figure 16).

44% of respondents do not believe that DNA profiling will be part of the graduate recruitment process by 2020 while only 24% felt that DNA profiling would be a feature.

More than half of the respondents believe that China, Russia and India will have more economic influence than the US and Europe by 2020 (68%) (see figure 17).

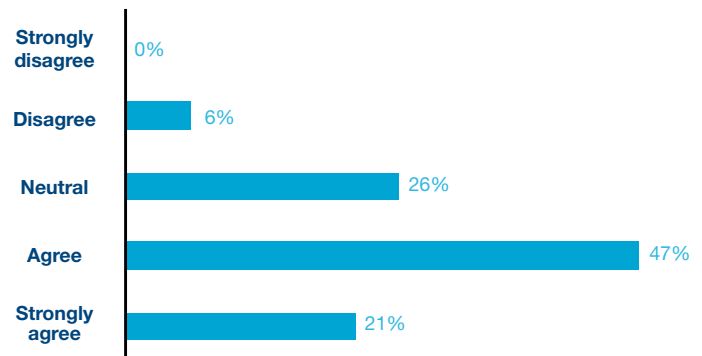
“In the incoming future, the Middle East may arise as the economic leader as Islamic Financing/Banking is growing in a rapid state.”

**Figure 16**  
Q: By 2020 companies will be more influential than governments



Base: 346 Malaysian respondents

**Figure 17**  
Q: By 2020 China, Russia and India will have more economic influence than the US and Europe



Base: 346 Malaysian respondents

## Thoughts on 2020 - Takeaways

45% believe that by 2020, companies will be more influential than governments

68% believe that China, Russia and India will have more economic influence than US and Europe by 2020

# The current economic environment

We also sought our millennials' opinions on the outlook for the current economic situation. They were on the fence on Malaysia's current economic health, indicating the general sense of uncertainty concerning the downturn. Slightly more of the respondents (53%) felt that the situation in Asia as a whole was marginally worse than in Malaysia. The majority (72%) had a pessimistic outlook for the global economic situation (see figure 18).

The uncertainty regarding the Malaysian situation may be due to the predominantly positive messages given out by the local media (at the time this survey was conducted)

concerning Malaysia's capabilities in meeting the current economic challenges, versus the largely negative messages concerning the status of global economic health.

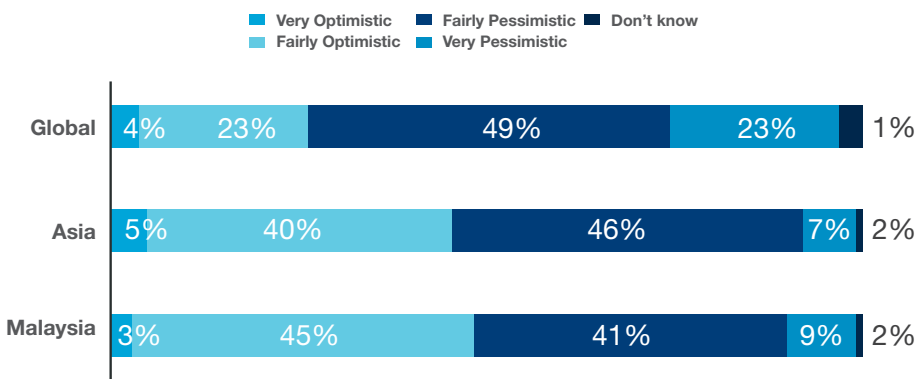
When asked about personal strategies they would take to manage their lifestyle, career and finances in the downturn, our millennials indicated that:

- They would spend less on entertainment and leisure activities (47%)
- They would work harder to demonstrate their skill level (45%), demonstrating that they believe it is even more important now to stand out in the crowd
- They would learn a new skill relevant to their careers (40%)

“I may be restricted from promotion due to cost cuts.”

“I may not get any bonuses and increments.”

**Figure 18**  
**Q: What are your immediate sentiments on the current economic situation in the following locations?**

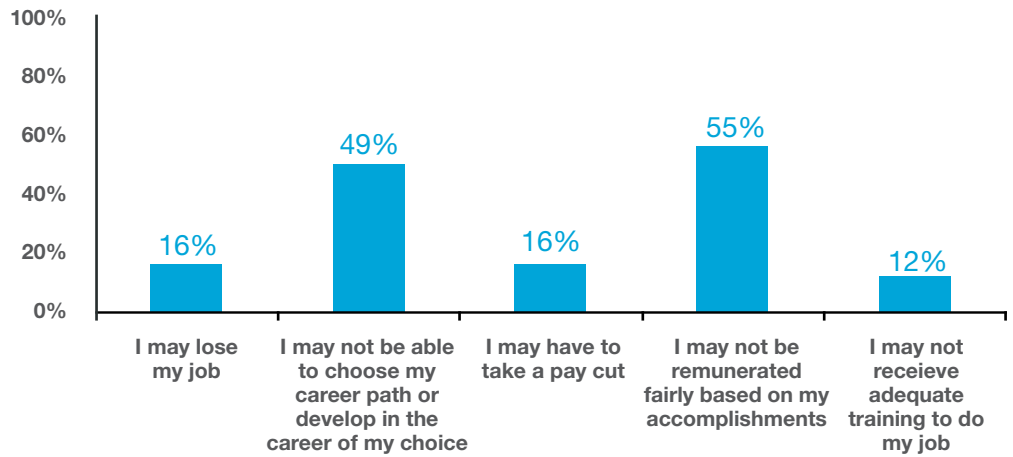


Base: 346 Malaysian respondents

The Gen Ys feel that their greatest risk in this economic downturn is of promotions, bonuses and increments being withheld (see figure 19). Job security was not a significant concern for them.

Employers should take note of these concerns and send out the right messages with regards to how the current economic downturn is being managed and how employees will be affected. Organisations need to consider the longer-term impact of human capital decisions made in the current economic climate, and integrate these into their business strategies.

**Figure 19**  
**Q: What are your major career concerns during this downturn?**



Base: 346 Malaysian respondents

## The current economic environment - Takeaways

Most of our millennials are pessimistic about the global economic environment, but are divided on the state of Malaysia's economic health

The millennials' greatest concern is that they will not be fairly compensated in the current economic downturn

“The Gen Y brought change to the landscape of traditional working environments and leaders responded by providing them with the necessary opportunities for such change to happen. With the advent of the economic crisis, however, the dynamics switched. Today it is the Gen Y’s turn to adapt and be open to different jobs in order to survive this downturn.”

Chin Kwai Fatt  
Managing Director  
PricewaterhouseCoopers, Malaysia



## In closing

Maximising the potential of your Gen Y

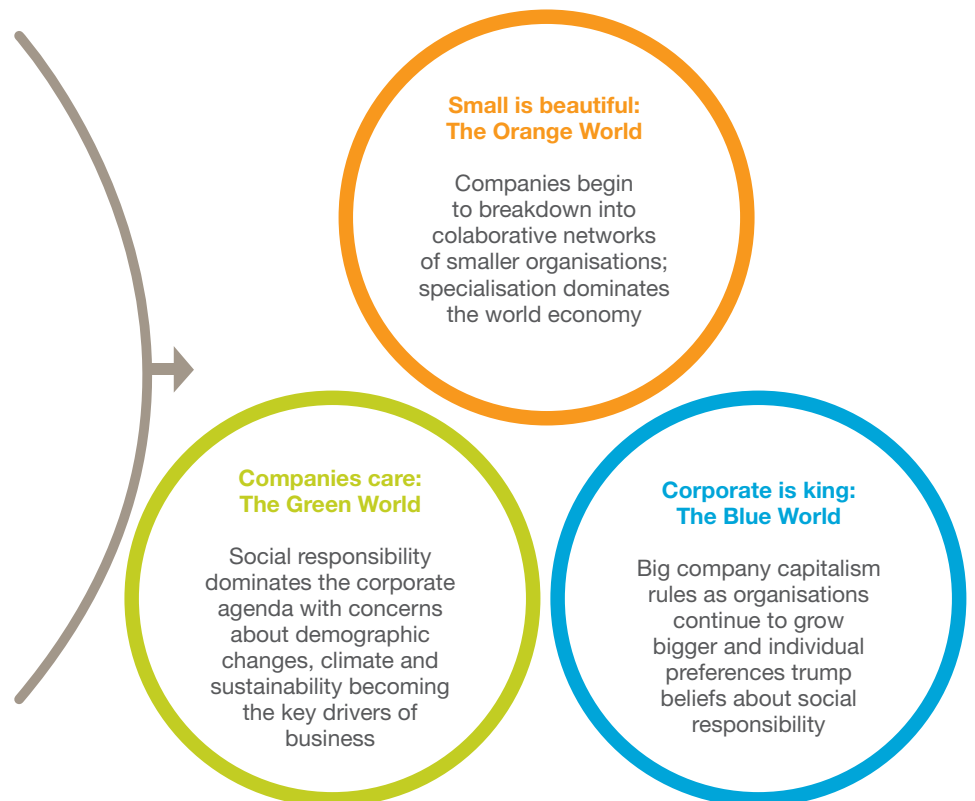
# Maximising the potential of your Gen Y

In our first report, *Managing tomorrow's people – the future of work to 2020*, we identified three scenarios which we believe will co-exist in 2020 (pictured below). We believe that organisations which can quickly adapt and internalise the characteristics of the Gen Y workforce will capture a major advantage in the sourcing, attraction and retention of a highly dynamic workforce.

## Some key characteristics of the Malaysian Gen Y workforce

- They desire and expect to be mobile throughout their career lifetime
- They are independent, and value the flexibility to balance between work and personal life
- They aspire to develop themselves in a variety of roles and organisations
- Issues of sustainability and climate change are of major concern, and will affect their career choices

## Our view on the future of work to 2020



# Managing the workforce of the future

Our thoughts on millennial capital management strategies for different organisations with different objectives

While handling and developing the Gen Y seems to be a daunting task, it is nevertheless an important agenda item for Management. Whatever the size or nature of your business, you will have at your disposal different strengths and weaknesses in a cross-generational workforce. The following table provides a guide to not only managing millennials, but also the workforce of the future. One of the key challenges, in addition to the initiatives laid out below, will be to integrate your Gen Y with the rest of the organisation.

	For large organisations
<b>Resourcing</b>	<ul style="list-style-type: none"> <li>• Form own or partner universities/institutes to grow and upskill millennials</li> <li>• Profile own organisation and source for talent via internal and external peer-to-peer networks</li> </ul>
<b>Talent Management</b>	<ul style="list-style-type: none"> <li>• Implement robust career and succession planning programmes               <ul style="list-style-type: none"> <li>- Career profiling and tracking from day one</li> <li>- Early identification and training of potential successor pool</li> </ul> </li> </ul>
<b>Employee Engagement</b>	<ul style="list-style-type: none"> <li>• Continuously measure and track organisational health               <ul style="list-style-type: none"> <li>- Formulate metrics and warning system to identify human capital risks</li> </ul> </li> <li>• Establish virtual social and business-oriented networks across the organisation</li> <li>• Provide electronic devices that employees can use to work more efficiently from anywhere</li> </ul>
<b>Rewards and Performance</b>	<ul style="list-style-type: none"> <li>• Provide sophisticated and flexible employee benefits, e.g. education loans, superannuation, family medical, corporate bank loan rates</li> <li>• Focus on cradle to grave benefits and remuneration strategies</li> <li>• Design systems that vigilantly track and monitor individual performance</li> </ul>
<b>Learning and Development</b>	<ul style="list-style-type: none"> <li>• Incorporate language training to facilitate cross-border transactions</li> <li>• Maintain a database of employees' development preferences to customise training plans</li> <li>• Develop multi-faceted training plans, including rotational assignments, leadership programmes, secondments</li> <li>• Have lifelong training plans</li> </ul>

While the initiatives above are clustered as shown, this is not necessarily the only way to look at appropriate actions to take. It is up to the individual organisation to tailor its policies and methods accordingly.

For small specialist organisations	For organisations going green
<ul style="list-style-type: none"> <li>• Liaise with industry/craft guilds/networks to source for talent</li> <li>• Maintain a central repository of employee track records to ease talent search</li> </ul>	<ul style="list-style-type: none"> <li>• Include behavioural event interviews and questions that seek to assess the candidate's day-to-day habits as part of the recruitment process to test for socially responsible behaviour</li> </ul>
<ul style="list-style-type: none"> <li>• Develop career models that depict transferability of skill sets in order to widen talent pool</li> </ul>	<ul style="list-style-type: none"> <li>• Incorporate sustainability factors (e.g. carbon footprint reduction, waste generated) as part of job competencies</li> </ul>
<ul style="list-style-type: none"> <li>• Establish virtual feedback channels to gather opinions from current/former employees on organisational culture, supervisor/subordinate work styles, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Allow work from home to reduce work-related travel</li> <li>• Introduce flexible work days to allow for personal CR activities</li> </ul>
<ul style="list-style-type: none"> <li>• Develop project-based benefits and incentive schemes that allow for employee turnaround and promote talent return</li> <li>• Provide retention bonuses</li> <li>• Utilise a central repository of performance indicators by specialisation and competency levels</li> </ul>	<ul style="list-style-type: none"> <li>• Provide incentives to promote participation in sustainability causes, e.g. secondments to NGOs, paid sabbaticals</li> <li>• Incorporate "green" indicators (e.g. on carbon usage) as part of employee KPIs</li> </ul>
<ul style="list-style-type: none"> <li>• Work with craft guilds/networks to provide training and development opportunities to advance and drive innovation of specialist skills</li> </ul>	<ul style="list-style-type: none"> <li>• Incorporate sustainability programmes into employees' training plans, and provide time off for these</li> </ul>

## Speak to one of our consultants on managing Gen Y.

PwC's Human Resource Advisory (HRA) practice strives to create value and corporate advantage for businesses through their people. We believe this happens when there is greater organisational and people performance. Our services include:

- HR to Business Strategy Alignment:
  - People and HR Strategy Development
  - Organisation Structure Design
  - HR Infrastructure, Service Delivery Model and Tools Design
- HR and Organisation Effectiveness:
  - Manpower Planning
  - Training and Development
  - Rewards
  - Talent and Performance Management
  - HR Sustainability (Corporate Responsibility)
  - Innovation
- HR Change/ Transition Integration
  - HR Due Diligence
  - Change and Communications Management
  - Culture Change Strategy Development

The Malaysian HRA team belongs to the global PwC network of over 7,000 professionals dedicated to providing HR solutions to our clients. A portion of our Malaysian team is made up of Gen Y consultants who will be happy to share their views with you.

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