Attracting and retaining a new generation of workforce
Generation Y in the Swedish construction industry
Master’s Thesis in the Master’s Programme Design and Construction Project Management

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CHALMERS UNIVERSITY OF TECHNOLOGY
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Cover:
Pictue demonstrating the mind of Generation Y (Newhouse, 2015)

Chalmers Reproservice
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ABSTRACT
Several factors point at an increasing recruitment demand in the Swedish construction industry due to large investments into urban development projects. Simultaneously, great employee losses in form of retirements are increasing this challenge. To fill the gap a new generation of workforce, with newly graduated engineering students, will enter the industry. This generation, called Generation Y, is argued to have a different mindset and view of their working life.

Following master thesis has investigated if the construction industry, and organisations within it, needs to change in order to attract and retain Generation Y. A theoretical framework and an empirical study have been performed during the period of February to June 2015. The empirical study have been divided into three investigations aimed to get an indication of challenges and improvement areas regarding attracting and retaining Generation Y in the Swedish construction industry.

The findings were that Generation Y is characterised primarily by their desires of four areas at their workplace; ‘Personal development’, ‘Getting feedback from the boss’, ‘Getting their own voice heard’, and, ‘To socially integrate in the organisations’. In order to satisfy these key areas a new type of leadership, that features adaptation and attention to the individual needs, is required. This means that organisations in the Swedish construction industry must change and find strategies for Employer branding, and further have leaders that can answer the needs of Generation Y. If not so, construction companies risk loosing an entire generation to competitors or to other industries.

Key words: Generation Y, Employer branding, War for talent, Construction industry, Urban development, Workforce, Attracting, Retaining, Personal development, Loyalty
Attrahera och bevara nästa generation arbetskraft
Generation Y i den svenska byggbranschen

Examensarbete inom masterprogrammet Design and Construction Project Management

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SAMMANFATTNING

Flera faktorer pekar på en ökande rekryteringsefterfrågan i den svenska byggbranschen på grund av stora investeringar inom samhällsbyggnad. Samtidigt står branschen för stora personalförluster i form av pensionsavgångar, vilket ökar utmaningen. För att fylla det rekryteringsbehov som finns väntas en ny generation av arbetskraft, med nyutexaminerade teknologer, att träda in på arbetsmarknaden. Denna generation, som kallas Generation Y, hävdas ha en annan attityd och syn på sitt arbetsliv.


Nyckelord: Generation Y, Employer branding, Byggbranschen, Samhällsbyggnad, Arbetskraft, Attrahera, Behålla, Personlig utveckling, Lojalitet
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Preface

This master thesis has lifted a topic for the Swedish construction industry about retaining and attracting new young employees, so called Generation Y. The choice of topic is due to our belief that organisations consist of people. Hence, having satisfied personnel in an organisations is one key for success.

We especially want to thank our examiner Christian Koch that has given us feedback and great discussion throughout the process of the work. In addition, we would like to thank our peer review group Marcus Hansson and Niklas Hedberg that has provided the thesis with new inputs and insights.

Göteborg, June 2015
Lukas Isebäck and Louise Röström
1 Introduction

This chapter aims to introduce the recruitment challenges generated by an increasing demand of workforce in the Swedish construction industry. The chapter will also present the background, objective, and limitations of this master thesis.

1.1 Background

As Sweden’s largest cities grow in population, investments into construction projects are to be made. Since the beginning of 2013 Sweden’s three largest cities have all expanded investments in infrastructure and urban development. For example, Gothenburg has increased investments with 20 percent, Stockholm with 18 percent and Malmö with 3 percent (Sveriges Byggindustrier, 2014), demonstrating an increased demand for construction projects. The Swedish construction industry engaged a workforce of 312,000 people in 2012 and with an increasing amount of upcoming projects this number is expected to grow (Sveriges Byggindustrier, 2015). The estimation is strengthened by Government Offices of Sweden (Regeringskansliet, 2014) that reports that until 2035 investments in infrastructure and urban development will correspond to 13,000 new jobs per year.

Simultaneously, recruitment challenges in the Swedish construction industry is fuelled by the potential knowledge loss retirements cause. Due to the uniqueness of projects in the construction industry, organisations are characterised by being highly tacit knowledge intensive in nature, hence work experience is vital (Pathirage et al, 2007). Since the knowledge is often personal and gained by experienced, upcoming retirements are said to involve great knowledge loss for the construction industry in Sweden.

Moreover, there is an on-going public discussion in Sweden about how to survive large retirements losses in construction companies, where recruiting management personnel with the requested knowledge and skills is a great challenge. (Karlsson 2008; Dunér, 2011). Swedish contractors highlight an existing gap between demand and supply of people with knowledge and experience from the industry, such as managerial roles, particularly site managers. The reason for this gap is due to large retirements losses in recent and upcoming year and to the recession in the Swedish construction industry in the 90’s, where almost an entire generation were lost to other industries, such as the IT-industry (Karlsson, 2008). Because of the recession, there is today a lack of people born in the 60’s and early 70’s in the existing workforce in the Swedish construction industry. Further, The Swedish Association of Local Authorities and Regions (Sveriges Kommuner och Landsting, 2011) have executed a research of Sweden’s most important jobs, in the near future. They state that already today there are tendencies of shortage in people with the required knowledge in several industries, where construction is one.
To answer the upcoming employee loss Swedish construction companies are required to recruit and integrate newly graduated engineering students to take over the positions. These students belong to a generation born between the 80’s and 90’s, in generational theory called Generation Y, who are claimed to have another view on their working life compared with their predecessors (Pihl, 2011; Jonkman, 2011; Asplund, 2015). New research executed in Sweden shows that the standard requirements from new young employees have changed, and that Generation Y, that now enters the Swedish labour market, requires conditions that in the past only a small group of talented people did (Asplund, 2015). External factors and social development when Generation Y grew up have affected their view on quality of life and balance in their work. Thereby, it can be argued that employers need to have a greater understanding of generational differences in order to attract and retain this young group of employees (Pihl, 2011).

Recruiting Generation Y will lead to a changing demography in companies and creating a shift of competence were new employees generate new perspectives and characteristics to organisations (Sveriges Kommuner och Landsting, 2011). How this shift impacts companies and the labour market in the Swedish construction industry is still an unexplored research topic in existing literature.

1.1.1 Statistics of Sweden’s total workforce

In order for companies to be competitive Strack et al. (2014) argue that talented people are a necessity.

“Every economy’s ability to compete depends on a steady supply of human capital and talent.” (Strack et al., 2014)

As a future indication of how the workforce will look fifteen years forward estimation with data from Statistics Sweden (SCB, 2014) has been executed. The people that are assumed to constitute the workforce in 2030 are already born, meaning a brief indication of the future workforce can be estimated. Even though the estimation does not consider immigration, emigration, disabilities, health aspects, death, early or late retirements, the retirement age 2030, as well as people studying, the data shows a change in supply of people, which will affect companies. In Sweden the workforce can be seen as people between the age of 20 and 64, due to the public school system and a retirement age of 65. Based on statistics from Statistics Sweden (SCB, 2014), comparing the age structure from 31 December 2013 with 2030 indicates that the future workforce is expected to decline. To be more precise, with the above mentioned limitations the total workforce in Sweden will constitute of almost 178,000 less people in 2030 related to 2013, view Appendix D. This information indicates a need to retain employees on the Swedish labour market in order to supply the demand of workforce that will become a challenge in many industries, such as the Swedish construction industry.
The construction industry has recently reflected on the issue of how to integrate the younger generation of workforce, where there is an existing complexity of graduated engineering students missing out on work experience from the construction industry. Lars Bergqvist, Chairman of the newspaper “Byggcheferna”, said in an article: “The experienced managers retire and the young ones, who are supposed to fill these gaps, have not been out at the production site long enough” (Collín, 2014).

According to a research from Statistics Sweden (SCB, 2013), in the year of 2012, 41 percent of employers in the Swedish construction industry stated a shortage of newly graduated Master of Science engineers in the industry. For engineers with a Bachelor degree this number was equivalent to a 28 percent shortage. Furthermore, same research found that more than 80 percent of all examined organisations expressed a great absence of engineering students with wishful working experience in the construction industry. Åkerlund (2012) reports a lack of work-integration learning in engineering education programmes. The fact that students are missing out on real case scenarios and experience from the industry is a barrier to overcome. For example, at Chalmers University of Technology students can study a five year long master’s degree without meeting any industry contacts or having a single internship before they graduate.

A report from 2011 that forecasts recruitment needs in Sweden, also illuminates an upcoming challenge with increased mobility, where talents move not only between individual employers but also geographical and towards different industries (Sveriges Kommuner och Landsting, 2011). Through technology development and improved communications the boundaries to market areas are not that strict and talents are said to be more open to move and hence can be seen as disloyal. The young generation that now enters the construction industry have grown up with a great degree of freedom of choices and is likely to change employers more frequently than previous generations (Pihl, 2011). This increased mobility might lead to people changing industry, as were the case in the 90’s. Thereby, finding a way of attracting and retaining Generation Y could be seen as severe in order to serve the urban development demand.

1.2 Objective

Increasing investments in urban development together with personnel loss due to retirements puts pressure on the Swedish construction industry in form of recruitment needs. Additionally, an upcoming challenge is the changing values and characteristics coming with the generation now entering the market, i.e. newly graduated engineering students belonging to Generation Y. Hence, the main objective is to investigate if the construction industry, and organisations within it, needs to change in order to attract and retain a new generation of workforce, consisting of Generation Y.
In order to evaluate the objective following research questions will be answered:

- **What distinct characteristics are said to identify Generation Y as employees and are these characteristics homogeneous?**
- **How can companies in the Swedish construction industry attract and retain Generation Y?**

The first research question is aimed to be answered by a literature research, which afterwards will be tested by an empirical study. The second research question is based on an empirical study consisting of three different investigations, A, B and C.

### 1.3 Limitations

This thesis is limited to investigate the construction industry in Sweden. Therefore, a limitation has been set to mainly study Swedish literature references. However, a selection of global references has been used on the assumption that global theories can be adopted on the Swedish market, in these areas. The literature references have been based on homogeneous aspects of generational theory, i.e. certain generational characteristics belonging to people born and raised within the same era and society that have affected their values, view section 1.3.1.

In addition, the empirical study is based on a selection of companies located in the Gothenburg region. The companies were a mixture of consultants, contractors and clients to determine if all companies indicate similar factors even though their operations differ.

#### 1.3.1 Application of generational theory

In order to achieve the best possible result in this thesis the theoretical framework required a homogeneous aspect of generational theory. However, the problem with generational theory is that it accounts broad generalisations, and does not consider systematic variations (Asplund, 2015). In addition, there are no bespoken differences between cohort effect and age effect. For this thesis, the focus in generational theory has been on Generation Y, also called Y:ers, which represents people born between 80’s and 90’s (Pihl, 2011; Jonkman, 2011).

The representativeness of generational theory has been questioned by researchers such as Terjesen et al. (2007) and Hernaus and Poloski Vokic (2014). For example, Hernaus and Poloski Vokic (2014) state that the boundaries between generations are not distinct and that older generations may share the same values as Y:ers. However, for this study a viewpoint that older generations

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1 Cohort effect is the effects of similar societal experiences that make a group unique, for example the event of World War Two (Asplund, 2015). Age effect is the effects of belonging to a group of people with the same age. In reality individuals may have different experiences that affect characteristics.
share the same values as Generation Y is not considered as an issue. This paper is limited to the homogeneity aspect of people entering the labour market and their characteristics that is believed to have impact on attracting and retaining employees. Regardless of differing characteristics from other generations, research on the topic of Generation Y shows what attracts this generation and what factors that will make them stay in organisations. Therefore, if older generations share the same values this will only increase the application of the result in the study. Hence, the application of generational theory will not be discussed in the theoretical framework of this thesis.
2 Methodology

This chapter aims to convey the method and the process of the research. The thesis was initiated through an extensive web research defining the scale of the upcoming recruitment issue in the construction industry. Findings from the initiated research showed a need for empirical data from the Swedish construction industry that was to be compared with existing theory. Hence, the report was divided into a theoretical framework and an empirical study.

The production of this paper was carried out between the 2nd of February and the 15th of June 2015

2.1 Theoretical method

The theory chapter is based on a literature research on the subjects of ‘The war for talent’, Employer branding and Generational theory. Primarily, references in form of academic articles and technical reports were gathered from search engines such as Emerald Insight, Scopus and Google Scholar, accessed through the library at Chalmers University of Technology. Generational theory findings were mainly gathered from printed books in Swedish management literature (Pihl, 2011; Jonkman, 2011). This literature is general for all professions and labour market areas. However, the results in this thesis are based on the perception that generational theory can be applicable for the construction industry and engineers as well. Additionally, to get an up-to-date and equitable report a study from daily articles and official web pages has been used. These have been selected both from the criteria of reliability and relevance for the construction industry. Search words used were for example: Generation Y, characteristics, employer branding, company attraction, attracting talents, the war for talent, retaining, and recruiting.

2.2 Empirical method

To achieve the objective of the thesis an empirical study, including an investigation with a quantitative questionnaire and two investigations with qualitative interviews, has been performed. The result from the empirical study can be found in Chapter 4 in this master thesis.

The three different investigations, A, B and C, resulted in an indication of three important target groups, students, young employees and managers, that all has impact on the future workforce in the Swedish construction industry. Finding insight from all three different target groups, focusing on work satisfaction of Generation Y, will create a positive effect on the success of the future construction industry.
2.2.1 Investigation A

The aim of investigation A was to give an indication if references from existing literature on generational theory, such as Terejsen et al. (2007), Pihl (2011), Jonkman (2011) and Asplund (2015), were applicable on the target group for this thesis, i.e. engineering students that is believed to soon enter the workforce of the Swedish construction industry. Therefore, the investigation was limited to an answer frequency of 21 respondents. Additionally, the result from investigation A will help to form the questions in investigation B and C. The target group chosen consisted of university students, born in the 80’s and 90’s, which thereby fill the requirements of people of Generation Y.

In the literature research several authors mention heterogeneous aspects in Generation Y, including personal and individual attributes depending on social and cultural differences (Terjesen et al., 2007; Hernaus and Poloski Vokic 2014). However, same literature references, and Swedish management authors (Jonkman, 2011; Pihl, 2011), front several homogenous characteristics that are applicable to generalisation and hence can be used by employers for attracting and retaining young talents. These homogeneous characteristics were the basis when forming the questions.

The chosen format for investigation A was a quantitative research. According to Bryman and Bell (2003) a quantitative research entails a collection of numerical data to exhibit as a view of the relationship between theory and research, in this case testing the accuracy of existing theory on a specific target group. In investigation A the research was used to add more accurate data, related to construction engineering students, that shows similarities to the literature on Generation Y, hence testing if homogenous characteristics were applicable.

In order to reach out to the amount of respondents needed a self-completion questionnaire where chosen, meaning “...a questionnaire that the respondent answers without the aid of an interviewer” (Bryman and Bell, 2003). The questionnaire was divided in two sections. The first section aimed to get an understanding of how much the respondent felt characteristics of Generation Y were aligned with their own values. Therefore, a questionnaire with structured questions without extensive answers, e.g. scale based questions, was chosen, view Appendix A. The respondents were asked to answer how important each statement is for them in the search for employer, with the scale from 1 = not important, to 5 = very important.

The second section aimed to get an understanding of prioritization between characteristics and to get some arguments for their values, in order to find more accurate answer aligned with the objective of the master thesis. Therefore, in section two of the questionnaire, the questions were structured but gave room for own reflections and arguments. Additionally, the questions were formed as “which of the alternatives best describes” and “do you believe”.

The questionnaire was sent to senior year students in the Master of Science programme Design and Construction Project Management on the construction department at Chalmers University of Technology. The limitation to the selected
reference group is based on the belief that these students are close to their graduation and thereby have reflected on their working life and future employment in greater extent. Thereby, these students may have a more accurate perception of today’s industry, than students who have longer time to their graduation. Further limitation of only examine students in construction engineering programme, and not all students on Chalmers University of Technology, is due to the increased likelihood that they are the ones that potentially will work in the Swedish construction industry.

2.2.2 Investigation B

The aim of investigation B was to acknowledge the work satisfaction of Y:ers already working in the Swedish construction industry. The chosen target group was people born in the 80’s and 90’s that have a Bachelor or Master of Science university degree in engineering, in the areas of Civil engineering and Building technology. Further limitation was that the respondents should have worked in the construction industry between one and four years. The reason for the chosen interval was because the respondents should have had time to get integrated and reflective of the organisations’ culture, but still be perceived as a relatively ‘new’ employee.

Bryman and Bell (2003) state that a qualitative research tend to be inductive, meaning generating theory, while quantitative tend to be more deductive, i.e. testing existing theories. Due to the aim of investigation B, which was targeted to get a deeper understanding of the interviewees’ reflections and arguments, a qualitative research was chosen.

The questions were formed in a semi-structured manner to get open answers in a given direction (Bryman and Bell, 2003), view Appendix B. Furthermore, this type of interview enables thoughts and reasoning from the respondent. The questions were primarily formed from the characteristics of Generation Y that were found in the theoretical framework and strengthen in investigation A. Based on the theoretical framework these questions were categorised in four themes; Attractive employer, Integration process, Feedback and rewards, and Loyalty.

In order to get a broader picture of the construction industry a selection of companies in three categories, depending on their different roles in the industry, were studied: contractors, clients and consultants. The organisations were chosen from a recruitment demand that has been stated in a report by 'Ny Teknik' (Ahblom, 2013), which identified how many new engineers that companies aim to recruited in the shift of the years 2014/2015. From that report following companies was gathered: Skanska (contractor), ÅF (consultant), Sweco (consultant), and Trafikverket (authority and client). Further, on the hypothesis that younger organisations have easier to capture young talents, an additional company with a fast growing employee rate were chosen as a fifth interview object. The company was Serneke (contractor), which was founded in 2002 and has since then evolved to become one of the large contractors in the Gothenburg region.
One interview, with a person belonging to Generation Y, has been held on each of the different companies. The selection of respondents resulted in interviews with two consultant companies, two contractors and one client. Since this thesis was limited to view the market in Gothenburg region, the respondents were located in projects in Gothenburg.

Name of the five respondents and which specific company they work at has been chosen to be kept secret in order to enable the interviewee to speak freely of their thoughts and hence not affecting the outcome of the thesis. Each of the interviews lasted for approximately 45 minutes and was held at the companies where the respondents worked.

2.2.3 Investigation C

Investigation C aimed to get a perception of how it is to lead this new young generation. Furthermore, the investigation aimed to find out how companies in the Swedish construction industry experience the future recruitment need and supply of workforce, at managerial level, and how they work with attracting and retaining employees. Therefore, as for investigation B, a qualitative research was chosen, in order to get a deeper understanding of the respondents’ reflections and arguments.

The questions were formed in a semi-structured manner to get open answers in a given direction (Bryman and Bell, 2003), see Appendix C for question format. The questions in the interviews were based on the result in investigation A and B. For example, in investigation B the respondents expressed improvement possibilities in the integration process. This was examined by asking the managers how they approach the integration process. Additionally, in investigation A the result showed key desires for satisfaction for Generation Y. These were examined in investigation C by asking how well they thought their company correspond to these desires. Furthermore, general questions on the subject how they work with recruitment and of becoming an attractive employer were examined.

Investigation C was performed through three interviews, including two middle managers and one Human Resource manager. These people are believed to have a deeper understanding of the link between employees and the companies’ performance. The Human Resource manager worked with Employer branding and was therefore believed to have a good understanding of the challenges with attracting and retaining Generation Y. Additionally, all three respondents play a key role in the success of projects, employee relationships and the company as a whole. The selection of these specific persons was through connections and recommendations from respondents in investigation B as well as from official contacts selected by the organisations themselves.

The selection of companies was based on the same principle as for investigation B, where the companies chosen have expressed a recruitment need (Ahlblom, 2013). However, name of the respondents and what specific companies they
work at have been chosen to be kept secret to not affect the outcome of the interviews, and hence the report's validity. Furthermore, to gain perspective of the Swedish construction industry as a whole the investigation was limited to leaders from one consultant, one contractor and one client. However, there were no limitation for matching the relationship between the respondents from investigation B and investigation C, hence not necessarily did the interviewed Generation Y persons work on the same department as the managers in the interviews.

Each of the interviews lasted for approximately 45 minutes. Two of the meetings were held at the respondents' office, while the third were held by phone.

2.3 Validity and reliability

Evaluating the validity and reliability of this thesis can be determined by evaluating four areas that Bryman and Bell (2003) mention:

- Credibility - The trustworthiness of the results
- Transferability - The applicability of the results in different environments
- Dependability - The applicability of the results at other times
- Confirmability - The objectiveness of the researcher

The results from the investigation can be seen as relatively creditable since the theoretical framework leading to the questions in the investigations has been carefully selected and supported by Swedish management literature and other global research and literature. The semi-structured questions helped to get more insight into Generation Y's thoughts and perceptions, which ensures a more credibility in the result. However, reliability in the result can be questioned in due to the amount of interviews and respondents in the questionnaire. The transferability in the result can be seen as high due to the generational characteristics, which are not specific to engineering students in civil engineering and building technology but overall for Generation Y. On the other hand, the work climate, which has affected the answers from the interviewed respondents, was closely connected to the construction industry. The dependability goes in hand with the extensiveness of the research. Since this research was divided into three investigations, in order to get more perspectives on the topic, the extensiveness in every investigation was thereby affected in a negative manner due to time limitations of the production of the thesis, leading to a relative low dependability. Furthermore, the authors have tried to act as objective as possible in order to not affect the outcome of the research, hence the confirmability. However, personal views will always somewhat influence on the result in a qualitative research. In order to minimize the personal influence open discussions in the interviews on the topics have been held. Additionally, a structured process, with minimizes personal influence, has been the aim of the process during the thesis, such as used when transcribing the interviews.
3 Theoretical framework

This chapter aims to get a deeper theoretical understanding to be able to analyse and evaluate the information found in the empirical study. The theory focuses on how to attract and retain employees, and presents the theoretical framework of 'The war for talent' and Employer branding, as well as generational theory on Generation Y.

3.1 The war for talent

Due to unbalance in the supply and demand of workforce, attracting and retaining talents will become one of the key challenging areas for Human Resource departments in organisations (Vaiman et al., 2012). Similar phenomena happened in the 90’s in Sweden when people shifted to the IT-industry, leading to extensive research within this area (Karlsson, 2008). The term ‘war for talent’ was first presented in a study by the management consultants of McKinsey & Company in 1997 (Michaels, et. al, 2001). The concept involves recognition of the strategic importance of human capital and the value that skilled talents create. The supply and demand challenge can be argued to be even greater today comparing to the one in the 90’s due to increasing mobility of skilled workers. In a report by KPMG (Bolton et al., 2014) the authors argue that a ‘new’ war for talent has started with a new generation entering the business market. The researchers claim that the young generation of workers “seem less interested in traditional roles and see themselves as free agents, and management has been slow to respond”. PwC (2015), another business consultant, presents numbers that show half of the global workforce will consist of Generation Y in the year of 2020. Therefore, they argue that attracting Generation Y will play a key role for organisations in the future.

“One of the companies’ most extensive challenges ahead is about finding and retaining the right skills. Employers who understand young people’s views and adapting its organization after it, is also the best performing in the competition to actually attract new talent.” - Anders Assarson, head of Human Resource Services at PwC (PwC, 2015)

In addition to adopting the organisation to the young generations’ mindset, McDonnell et. al (2010) suggest that organisations should systematically identify the key positions that contribute significantly to competitive advantages for their organisation. Thereafter, develop a pool of talents with high-performing potential to fill these positions. Lastly, the organisations should develop a personnel architecture that allows these positions to be filled without difficulties.
3.2 Employer branding

One way of attracting new talents is through Employer branding. The term Employer branding refers to the process of promoting an organisation, and becoming the employer of choice of a specified target group (Mossevelde, 2014). The objective is to evolve the company’s ability to attract, recruit and retain ideal employees. Employer branding can be divided into five phases: attraction, recruiting, introduction, development and ending (Pihl, 2011). Involving in Employer branding can thereby answer recruitment demands for companies.

There is no one true way of becoming an employer of choice. According to Barnham (2005) the strategies that organisations choose to engage their employees depend not only on their business strategies, but also on the size of the company and the complexity of the organisational structure and its workforce. However, some strategies can be applied no matter the size or focus on the organisation. First of all, Barnham states that many organisations tries to engage their employees through short term tangible options such as yearly incentives and base pay. However, the author refers to a study by Gallup Organization (Buckingham and Coffman, 1999), where 80,000 managers were examined and found that the greatest drivers for motivation and retention are intangible, such as work-life benefits, work climate/culture and trust between employees and leaders.

Additionally, Barnham (2005) studied several companies with different size, business areas and industries where employer engagement and turnover has been an issue, but was turned around through different strategies. How these issues were solved differed, but Barnham made a summary of their common approach.

1. Resolving and taking actions as soon as potentially serious threat, that risks the fortunes of the business, were recognised.
2. Recognising key employees on which the business is depended on, and attempting to understand how to better meet their needs.
3. Implementing targeted initiatives to meet the need of those key employees.
4. Tracking improvements to demonstrate progress and measure success.

Barnham (2005) mean that if companies use this approach in their Employer branding they will find methods that can be used to better utilize talents (Barnham, 2005).

In addition, organisations that successfully have adopted Employer branding know how to adapt their brand to appeal to different target audiences, which is useful in recruitment processes when attracting new talents (Adecco, 2013). What drives a newly graduate may not excite an experienced worker in the midst of their career, and therefore the communicative approach can be seen as a key.

Adecco (2013) also stress the importance of first impression and performing the values that companies promise in their recruitment ads. The first impression of an organisation will determine the jobseekers immediate interest in the
company. This impression is changeable, meaning that how companies process their brand both before and after the recruitment process influences a person’s perception. Understanding Employer branding should therefore also be amongst all employees working for a company. Adecco means that employees can act as companies’ strongest advocates.

3.2.1 Employer branding in other industries

Universum Global conducted in 2014 a survey of Swedish companies’ attractiveness, that was based on student’s opinions and beliefs (Universum Global, 2014). Common for the top ranked companies are their awareness of what the labour market wants. For example, Google were ranked as number one employer in the categories Economy, Engineering and IT. It can be argued that this is due to that Google have a clear Employer branding strategy, which shares a lot of values that are said to be attractive to Generation Y. For example, the company aims to create a culture where ability is more valuable than experience, and where people can get their voice heard (Google, 2015). Furthermore, their workplaces are designed to be playful to enhance creativity.

Another company that has adopted Employer branding is Virgin. They have implemented a flexible work system, which they call ‘unlimited leave policy’ and allows the employees to choose when and where they want to work. Virgin states that “Flexible working encourages our staff to find a better balance between their work and private lives, and through this balance they become happier and more productive.”. The ‘unlimited leave policy’ has lead to an increased desire to work for Virgin (Branson, 2015), demonstrating the power of using Employer branding for competitive advantages.

3.3 Generation Y

Generation can be defined as “an identifiable group that shares birth years, age, location and significant life events at critical developmental stages” (Guillot-Soulez and Soulez, 2014). Generational theory thereby refers to how different generations think and act from an homogeneous aspect. Jonkman (2011) presents four main generations in modern western economies: The silent generation (born 1925-1942), Baby Boomers (born 1943-1960), Generation X (born 1961-1981) and Generation Y (born 1982-2002). According to Mannheim (1952) it is possible, in general, to draw a distinction between generations as they are influenced by the political, economic or cultural context in their evolvement. Members of the same generation also have experienced events and changes in the community relatively equal. Thus, they are expected to share preferences.

Generation Y is an international term whose definition varies between different studies. The Australian Bureau of statistics class Generation Y as a child born between 1983 and 2000, whereas in United Kingdom and the United States studies often refer to the ones born between 1980 and 1990's (Gibson, 2013). “Millennials”, “Net Generation”, “Digital Natives”, “Generation Next” and “Echo Boomers” are other terms used to describe the generation (Jonkman, 2011). This
thesis has chosen a general perception of Generation Y, designated to young people born in the 1980’s and 1990’s, that has and will come to enter the job market in the upcoming years.

3.3.1 Characteristics of Generation Y

Generation Y, also named Y:ers, are seen to be different to other generations, more so than others, according to the Swedish author Jonkman (2011). The main cause of the divergent characteristics of Generation Y is due to the change in society and critical events that have formed the generation. Foremost, this generation has grown up in a rapidly changing society due to the expansion of IT and information flow. People from Generation Y was raised with personal computers, video games and constant information flows, something that earlier generations only could dream of. Therefore this generation has easy to adapt to new technology. The personal computer really gained momentum during the 80’s and that is why this generation starts in that era.

According to Jonkman (2011), one of the most distinctive attributes of Generation Y comes from the shift in the approach on parenthood. When earlier generations were raised with lots of space and almost ignorance, parents to Generation Y were much more protective and involved the children in family decisions. Therefore, children were considered equal to grown ups in earlier age, which has formed a generation that are more or less “blind” to hierarchy.

Another feature of Generation Y is the high confidence. Y:ers are encouraged to not see limitations in their own capacity (Jonkman, 2011). That has lead to many Y:ers see their futures as high positioned employees or celebrities. Further, this can be the reason why this generation is so highly educated. Compared to the more relaxed Generation X, were studying hard was seen as something negative, it has for Generation Y become something to strive for. In addition to high ambitions, another factor to the extensive number of highly educated Y:ers is the Swedish school reform, which has given Y:ers more programmes to choose from and thereby can study subjects of personal interest. The new school also encourage students to strive for targets, which is an essential feature of Y:ers.

As many Y:ers are individualists and strive for attention, trademarks are more important than for past generations (Jonkman, 2011). For earlier generations the function of the products has been in focus, but for Generation Y the trademark communicate values. Therefore, Y:ers think like “what does owning a Volvo compared to a Skoda say about me?”. Having product placement in order to strengthen what the product and organisation stands for has great impact on Generation Y.

During the period Y:ers grew up, the economy was relatively stable. That has affected some of their main characteristics. Firstly, Generation Y considers themselves as adults when they are in their 30’s (Jonkman, 2011). The time before is designed to help them finding the precise "right spot" in life. Therefore, Y:ers can be seen to do dramatic changes before they are 30 years old. Secondly, Y:ers have a careless attitude about money, and are the generation with most
leverage bank loan in comparison to earlier generations where leverage was seen as shameful. Contrary, they are daring entrepreneurs who like to test business ideas without too much consideration. Thirdly, their attitude to work has been “how can my work fit to my private life?” and not as earlier generations “how can my private life fit to my working life?”. However, due to the recession in 2008 the Y:ers are said to have changed their attitude to work and being employed at all are now more prioritized than having a ‘fun’ and developing job, which now is secondary.

In conclusion, the term Generation Y summarizes the generation well. The Y has its origins from the word "why", which highlights the attributes of a challenging generation (Jonkman, 2011). In contrast to earlier generations, that see questioning as something negative, Generation Y prefer and dare to ask many questions to not remain ignorant and miss out on knowledge.

3.3.2 At the workplace

The leadership- and talent management consultant Emma Pihl stresses in her book from 2011 that Swedish companies have for long relied on innovation and efficiency as contributors to profitability. However, old merits will not help in the future and therefore companies must create cultures that values entrepreneurship, innovation and a new way of thinking, which relies on the new workforce of Generation Y.

At the workplace, every employee is unique and has individual characteristics, but Pihl (2011) and Jonkman (2011) argue that there are a number of pervading traits and attributes that are over-represented for Generation Y and could therefore be used by companies as something to manage. In a UK study by Terjesen et al. (2007) the authors questioned homogenous factors that by earlier researchers were named as typical Generation Y characteristics. The authors found that several theoretical attributes matched with students’ except from four factors, which were the desires of job security, work related benefits, physical work environment, and importance of geographical location. The argument is strengthened by a recent Swedish study by Kajsa Asplund (2015) who found that Generation Y are different than their predecessor in aspects as their loyalty, they want things that in the past only a few top talents requested, and they show more consumer behaviour traits in their search for work. Asplund (2015) also compared students’ opinions with young employees from the same generation. The result showed that the students had higher visions and were perceived as bolder, compared to those working.

From the above mentioned researches key areas, where Generation Y differentiate themselves at the workplace from previous generations, has the headlines been formed. These key areas are: Feedback and rewards, Balance in life, Personal development and Loyalty.
3.3.2.1 Feedback and rewards

In most employee surveys in Sweden today, the employees often wish for more confirmation and feedback on work performance (Pihl, 2011). To be seen and heard have significant importance on employee satisfaction, also shown by the characteristics of Y:ers as highly valued. According to Jonkman (2011), when a person from Generation Y likes his/her work it often becomes more than just work and a way for them to outlet personal development and interest. Therefore, this generation often perform more than expected. However, if someone else take credit for their work Y:ers feel fooled and overlooked. Since this generation puts its soul into their work these scenarios becomes personal. Their work can be seen as a trademark, in some extent like an artist signs his or hers work. Hence, personal recognition is important for Generation Y.

Furthermore, Y:ers seek and need continuous coaching and feedback, which comes foremost from two reasons (Jonkman, 2011). Firstly, Generation Y is raised with continuous coaching, both from parents and from their teachers in school, and when they are not prioritized by their managers they see that as a signal for not being important, which in longer term can lead to lowered motivation and loyalty. Secondly, Y:ers are a generation where lack of time is extensive since they want to achieve as much as possible in life. They seek to have time for hobbies, friends, and family and at the same time be highly ambitions at work. To manage the life puzzle they will need support from their organisations.

Additionally, long time rewards, such as the possibility to increase the salary in the yearly negotiations, are not as powerful on Y:ers as on Generation X and Baby Boomers (Pihl, 2011). Instead, since most things in their lives have been characterised by quickness they want their rewards to come fast and closely followed after their performance. Pihl therefore suggest leaders to create individual and team rewardings that can motivate the employees such as cinema tickets, one extra paid holiday day, post-it notes with encouraging words, after work activities or extra sweets for the office. It is also beneficial for leaders to address and ask team member questions like “how do we reward ourselves if we jointly achieve the goals we have defined?”.

To be informed and involved in decisions are also factors that contribute with the motivation of Y:ers (Pihl, 2011). Working for a higher purpose also means a chance to contribute with permanent changes in a larger perspective. Jonkman (2011) highlights the importance of informing and motivate Y:ers by telling the purpose of why things are to be done. The importance can be illustrated by the old tale about building a cathedral:

"Two men are cutting stone. One man looks distressed and rips reluctantly so that sweat is dripping. The man next to him is working feverishly to carve stone as well. The difference is that he takes on the task with great commitment and joy. A passer sees this and cannot help but ask the two men what they are doing. The distressed stonemason sighs that he ‘chops stone’. The joyful
man stops for a second and then says with a proud smile that - I am building a cathedral.”

This tale tells that informing the employees of what part of the puzzle they are can be motivational. According to Jonkman, motivating Generation Y by giving them a purpose can be extra powerful.

3.3.2.2 Balance in life

Having possibilities combining a full time work with an active private life is something the next generation of workforce value greatly (Pihl, 2011). The reason for this lies within the Y:ers careless attitude about money (Jonkman, 2011) and concept of ‘work to live’ rather than earlier generations ‘live to work’ (Twenge et al., 2010). The multi competent and ambitious Generation Y wants to achieve everything they take on and still remain creative. Therefore Pihl (2011) argues that the workplace should find different formats where a person has responsibilities and assignments but can individually choose when to perform the work. The author refers to a study that showed that people become more productive if they do the right thing, at the right site, at the right time, meaning the time employees spend at the office does not necessarily mean it is where they get the most work done. The study showed that people would be more productive and generate better profitability if they regularly choose to be on another more creative site or work, on one of their own more creative time. Freedom of work time should therefore be seen as a necessity for Y:ers to find balance in their lives.

In order for Generation Y to keep balance in life they can do and say things older generations perceive as odd (Jonkman, 2011). For example, they can demand special need such as “I might be late some mornings if the weather is good, since i like kite surfing” or “I would like a three month leave of absence, due to a trip to Nepal”. According to Jonkman, the greatest way for managers to handle these situations is to negotiate and create a counterclaim. In that sense Y:ers must give something in return, instead of just receiving.

3.3.2.3 Personal development

Personal development, and own self fulfillment is one of the most important things as Y:ers values at their work (Pihl, 2011). While earlier generations considered this viewpoint as something egoistic and unrespectful, the new workforce takes it as an obvious fact. Pihl means that it is time for companies to embrace this new mindset. If employees find self-fulfilment within their work, generating happy and satisfied employees that perform great results, it should be considered as something great and positive. With this new target group on the labour market, that demands feedback, attention, rewards and stimulating assignments, leaders should adjust their focus on how they develop employees. Generation Y wants personal career paths and assignments that have close connection to their type of interest and competence. Allowing this arena for personal development at work would benefit the entire organisation.
The docent Asplund (2015) found in her study of Swedish young talented graduates that the top factor Y:ers seek is continuous personal development in their working life. Personal development is one of the most common reasons why young people apply for a job in a particular organisation, and also a reason why they leave a job.

Generation Y sees their work as a place that needs to be dynamic, adapted and changeable in accordance with their desires and needs (Pihl, 2011). Investing in individual development plans can allow employees to better benefit their training. Google for example, has witnessed great success in their innovations by allowing their employees to spend 20 percent of their work time doing something of personal interest, as long as it is company related. According to Bharat Mediratta (2007), who is a software engineer at Google: “When people are passionate about their work they perform better”. Through the 20-percent-time-rule Google have produced products such as Gmail, Google News and Google shuttle buses that bring people to work at the company’s headquarters in Mountain View, California. These products would not have been achieved without giving possibilities for personal development for Google’s employees.

3.3.2.4 Loyalty

As mentioned before, Generation Y shows more consumer behaviour traits in their search for work (Pihl, 2011; Asplund, 2015). Therefore, it can be argued that the service profit chain, designed by Heskett et. al (1997) can be applicable to show the relationship between work satisfaction and loyalty, view Figure 1.

![Satisfaction to Loyalty](image)

Figure 1. Simplified interpretation of the service profit chain

The service profit chain shows a distinctive relationship between satisfaction and loyalty (Heskett et. al, 1997). Thereby loyalty cannot be created without satisfaction, meaning organisations must gain satisfied employers before they become loyal.

The specialist recruitment company Hays plc (2015) has performed a study where 1000 Swedish respondents born between 1985 to 1995 were asked questions about their future work career. More than a third of the respondents expected to have at least seven employers during their working life, which in relation to the global average of five employers is considerable more. Jonkman (2011) also highlights the loyalty difference of Generation Y in comparison to older generations. For example, it was possible for older generations to be employed for a company at an age of fifteen and retired at an age of 65, working
within the same company. That is very rare today. Generation Y is said to be disloyal as consumers, and have easy to adapt new trends and techniques (Pihl, 2011). The reason for this is that they have grown up in a fast growing society full of options. This further impact on their working life, as they tend to seek other professions if their work is not satisfying, showing more of consumer behaviour at the workplace.

Recent research states that 46 percent of university students in Sweden will likely change employer within five years from employment (Universum Global, 2014). According to Jonkman (2011), other industries, such as larger law firms, have already seen problems with Generation Y’s disloyalty. These firms invested great amount of money in internships and trainees on people they thought would serve the company in the future. However, when the programmes were come to an end, the young people were given a better offer at other firms and therefore changed to these. Jonkman states a solution to the problem is to form clear career paths and asking employees questions as “how do I keep you?”.

Next generation of workforce also use the workplace as an arena for networking and value informal gatherings as part from work (Pihl, 2011). To have fun at work and bond with colleagues are therefore important, even if it means common coffee breaks or social activities outside from work. Combining success with fun can be seen as factors that increase Y:ers’ loyalty for work.
4 Empirical study

This chapter aims to get a future indication of challenges and improvement areas regarding attracting and retaining Generation Y in the Swedish construction industry. Hence, the information in this chapter comes directly from people working in, or soon-to-be working in, the construction industry. The empirical study has been divided into three different investigations and target groups.

4.1 Investigation A - Students of Generation Y

The first investigation aimed to give an indication if references from existing literature on Generation Y were applicable to nearly graduates. Defining the spread of thoughts of the target group, gave an indication of the power in existing research. This investigation was executed by sending a questionnaire to students born between the 80’s and 90’s, view in Appendix A.

4.1.1 Results

The study involved 21 students on the master programme Design and Construction Project Management at the construction department at Chalmers University of Technology. Of the 21 examined students, eight women and thirteen men, with the age between 23 and 33 years old.

The respondents were given the choice to grade following factors, view Figure 2, from 1 = not important, to 5 = very important. The statements were based on their importance for the students to have at their future selection of employer.
Figure 2: Results to the question "When choosing employer, how important do you think it is with...? (1-not at all, 2-not much, 3-neutral, 4-much, 5-very much)"
As the result shows, characteristically attributes of Generation Y are ranked high. Especially three factors were ranked highly:

- Personal development
- Getting feedback from the manager
- Getting your ideas heard within the organisation

Additionally, highly ranked characteristics were:

- Feeling socially integrated and as a part of the company culture
- Freedom of working hours
- Being seen in the organisation
- That the work serves a higher purpose

The students was also asked to prioritise between three pre-stated factors, resulting in personal development as ranked highest, freedom of working hour secondary and high salary as lowest, view Figure 3.

Figure 3: Results to the question “What do you value most of: High salary, Personal development, or, Freedom over when and where to work?”

In generational theory, Y:ers have been questioned as being disloyal towards their employer. One of the questions in the questionnaire was therefore asked to the respondents if they saw their first employer as temporary, view Figure 4. The result showed that seventeen of the 21 examined students wrote they see their first work as temporary, strengthening the theory. Most of the students mentioned the reason for this is that their first employment is seen as their first real work experience in order to learn and develop. This job was perceived as great experience to later be able to achieve their future careers. Furthermore, some of the students mentioned that it does not necessarily mean that they will change company. Others mention that they want to gain knowledge of the career options in order to find their ‘right spot’ in life. Neither does this mean they have to change employer. This opens questions towards the theory on disloyalty of Generation Y.
The theory states that Generation Y values their spare time outside from work. The students were therefore asked a question of what best described their values of the choice between 'work to live' or 'live to work', view Figure 5. Sixteen of the 21 students answered ‘work to live’, meaning that the theory can be applicable.

As a finishing question the students were asked to express if the construction industry needs to change in order to meet their demands, view Figure 6. Thirteen students agreed, five people disagreed, and three students thought they did not have enough knowledge to express an opinion. The students who wanted change express that they think the industry must for example communicate more efficiently between parties and be more open to change mindset and openness to efficiency improvements.
Lastly, this small samples of findings from investigation A show areas that strengthen the theory and gathered validity in the knowledge about Generation Y to use when formulating the questions for investigation B and C. Hence the result can also be applicable for construction companies to use when attracting new talented graduates belonging to Generation Y.

4.2 Investigation B - Generation Y in the industry

The second investigation aimed to investigate how Generation Y experiences their working situation in today’s construction industry. Their experiences and opinions have been used for mapping the status quo in the Swedish construction industry and find tendencies of how to attract and retain the young workforce of Y:ers. The format chosen was personal interviews with semi-structured questions, which can be seen in Appendix B. As a support to the questions the theory on ‘the war for talent’, Employer branding and Generation Y have been considered. In addition, the findings from investigation A were used as a guideline when formulating the questions in the interviews.

4.2.1 Results

The five respondents interviewed were three females and two men that all had a university degree, either Bachelor or Master of Science with major in Civil Engineer and Building Technology. The interviewees were born in the interval of the years 1984 and 1990. Two respondents worked for contractors, one working as site manager in production and one at another company at the office handling calculations and tender documents. Of the two interviewed consultants, one was working with infrastructure projects and the other one with building service. The respondent working at the client company had a leading role within transport and infrastructure projects. These different roles had a little impact on the answers due to differing assignments and working responsibilities. However, all the respondents shared similar viewpoints and their thoughts were perceived as mainly homogeneous. Where their answers differed was based on their individual career plans, their experience of working in the industry, and personal life that contributed to a mix of values. Gender differences were not distinguished.
4.2.1.1 Attractive employer

All interviewees were satisfied with their working situation at the moment of the interview, meaning not one of them were in the thought of changing work in the near future. When asking them ‘why’ and ‘what’ made them satisfied with their working life the answers were primarily focused on the work environment and work relationships and not specific connected to the tasks. Neither was salaries discussed.

“The best part of my department is the social environment, with really good colleagues, and also that the organisation feels quite flat” – said one respondent that have worked as a consultant for one and a half year.

“I really like my working situation since it is fun and challenging. I feel like I have great trust from my colleagues and my boss. It is a very rewarding workplace where I learn a lot” – stated the respondent working as a client.

“Why I like my job is that it involves great variety and is challenging, and I feel that I’m not fully learn yet” – mentioned one respondent working at a contractor company.

The factors that the respondents stated as generating satisfaction of their work was connected to the characteristics of Generation Y as presented in the theoretical framework in Chapter 3.3. The conspicuous factors can be stated as following:

- **Personal development** - Personal development is not only ranked high according to theory and in the investigation A, but also perceived highly ranked of the interviewed Generation Y in the industry. The young respondents stated they were satisfied when their work was challenging and developing, underpinning strives to learn and personally develop their knowledge and skills. As the theory states, this generation likes to be challenged and have high ambitions to become the best of themselves, which seems accurate from the result in investigation B. However, this viewpoint was closely connected to the personal life and not fronted by the respondents that were older and started to value family life greater, and thereby had decreased the same strive as for when they were younger or newer at work.

- **The social environment and “good” colleagues** - The social interactions and work climate between employees was for the respondents ranked as a main factor why they believe their job is attractive. Good colleagues could even outweigh less ‘fun’ tasks for some of the interviewees. One of the respondents said: “I do not only want to go to work for achieving my tasks and get paid. I would feel like I lose 40 hour of my week, every week. Instead I believe social interactions are important
and that my work is more than just work.” The social informal setting is also distinguished in theory as something Generation Y treasures, and are said to have an impact on the feeling of support.

- **Support** - Having a person to turn to was perceived as important for the interviewed Y:ers in the construction industry. It does not necessarily have to be the manager, since colleagues was perceived as contributing to support as well. This is mainly important due to that the respondents did not like to get stuck or that they wanted to make sure that the result became as good as possible. All respondents stated that they were ambitious and wanted to deliver great results for their employer. In addition, some respondents had negative feelings towards a lack of support since the feeling of being extradited, could be perceived as their work was not important no matter how hard they worked.

- **Trust** - To be trusted and therefore be challenged by the superior were perceived as very motivational for the respondents. One of the respondent said, “I perform my best when I feel trusted. That makes me believe in myself and in turn releases barriers”.

- **Low hierarchy** – One additional factor to why some of the respondents were satisfied with their work was the freedom of speaking their minds and thoughts. They believed that employees’ opinions should be seen as a resource. One respondent stated: “No one is classed as better because you have worked in the industry for a longer time”. Instead the young generation would rather want knowledge and ideas to decide. “A low hierarchy also improves the knowledge sharing in the organization”, meaning that employees are allowed to share knowledge between departments to get knowledge, another respondent said.

A question discussed during the interviews was “In what type of work environment do you perform best?” The results from the answers were not scattered, i.e. perceived as similar, in that the respondents performed the best when they were challenged and somewhat under pressure. They wanted assignments with clear targets, since that allowed them to arrange the schedule. That type of working was perceived as more ‘free’, which was the direction they strived to.

The generational theory on Generation Y states that balance in life and ‘work to live’ is prioritised for Y:ers. However, all of the respondents believed that the first year of work is seen as a pace where development takes place. In the beginning of the career, which is where this young generation currently is, the work is ranked high. They see the first place as a stage to develop and learn and therefore values work higher than personal life for the moment. All stated that this view will most likely change in the future, when they want to have a family of their own, they will not prioritise their work as they do today.
During the interviews all of the respondents touched on the subject of the stressful environment in the Swedish construction industry. In certain periods of time the work was perceived as extra stressful, which in addition was extra challenging when they were stated as the younger employees. One respondent mentioned:

“The stress is intense, which is okay for now since I need to show my contribution for my career. But I will not cope with this for long”

Another respondent perceived it as the personal responsibility to work overtime was extra high on him/her:

“It sometimes feels like that those people that got their own family, children or partner etc., have an easier excuse to go home on time. Sometimes it feels like it is expected of me to work late. However, I know what I want and need to show off to get there. I will have to run some ‘warrior-years’, so I can live for it later”.

The interviewees were asked if they could work on an unstimulating work if they had to. This questioned in mind was based on the theory that Generation Y only like to work with ‘fun’ assignments. The majority of the respondents answered that the conspicuous factors, stated above, could way up unstimulating tasks, at least in a shorter period of time. However, in the long term the tasks and the variation of work are important. To see the purpose of why less fun assignments needs to be done was not something the interviewed Y:ers questioned. One other respondents stated “all work is not fun, but seeing my job as a whole I like what I do”. One of the respondents had recently changed work, where the tasks of the new employment are similar to the old, pointing at the unimportance of tasks. The main reasons for why the respondent left the first company were features such as the management that was unstructured, not enough support from the organisation to solve the tasks, and there were no introduction programme for new employees to integrate them for the new working role.

The theory states that Y:ers easily adapt to new technology, and therefore can feel limited to the tools given by the organisation. That was not the case for the interviewees. No one felt they were hindered by their technology, meaning it was slow or out of date. If they wanted specific tools to better achieve their tasks all of them said that would not be problematic to get if they had reasonable arguments. However, one of the respondents pointed out that older generations were not as adapting to new technology and could set the limit of tools to use: “If I suggest improvements, they must be understood by all in our organisation. That sometimes hinders my ideas of efficiency improvements and time saving activities since the older ones in our company do not understand”.
4.2.1.2 Integration process

All of the respondents felt socially integrated in their organisations and as a part of the company culture. They all felt that their respective company had a welcoming approach which made their integration time short. At one of the contractors the respondent estimated that the integration process would take longer time today, in comparison with the time that it took for him/her a couple of years ago, since the expectations, pace, and pressure to produce work had gone up. Therefore, people in the organisation had less time dedicating to help integrating new employees in the organisation and hence the new employees were earlier expected to start producing and take on great responsibility early.

The learning and integration process did differ between the different organisations. All examined respondents have had a mentor, who was considered by the respondents to be helpful in the integration process, but not all of them experienced that there were any routines for the mentorship or the rest of the integration process. Meaning that the new young employees were more or less expected to start working immediately and to ask when trouble occurred. One interviewee working as a consultant mentioned that this procedure might not fit all employees entering a company as new. However, one other respondent described the integration process as well thought at his/her company, including milestones and follow-ups on a regular basis the first year. This was considered useful since “you got to know the company better and you are always a bit insecure when you are new”.

4.2.1.3 Feedback and rewards

Feedback is something that Generation Y values greatly, and one factor that all of the respondents agreed on needing to be improved. They all wished for more immediate and continuous feedback, which now was lacking due to do boundaries and distances to meet with their main boss. The boundaries, according to one respondent, were due to project isolation and hence only the closest manager was reachable. For the contractors this means the site manager of the project and for consultant the division manager at the office.

The personality of the manager for the project or the division defined the grade of how much feedback that was given to the employee. These personal contacts had been perceived differently between the respondents. One respondent working for a contractor stated that:

“Once I confront my boss with what I do not feel comfortable with I hear that I’m good at what I’m doing. Otherwise, it seems as it is expected to maintain a certain level, and deliver results, but you may not hear you are good. I think that I should not be taken for granted just because I continue delivering great results.”
One other respondent that work for the client stressed he/she was happy with the feedback from the manager that gave him/her great responsibility and recognition for smaller things such as well-performed meetings. Same respondent continued: “Sometimes I get post-it notes attached on my computer, from one of my older colleagues, with encouraging words of well-performed tasks. This can make my entire day”.

The majority of the respondents stated that in general, the main manager was too busy with managing other assignments than finding time to give feedback on a daily or weekly basis. Therefore, typically there are three ways for the respondents receiving feedback. First, the main time they received feedback from their manager was after they delivered a product or finished a larger task. Secondly, every year, or every half year, all companies had performance appraisal. Lastly, the colleagues had a great importance of the daily feedback as well. However, there are exceptions from this structure. One of the consultants stated his/her boss was good with giving continuous feedback, the manager gave feedback during a personal meeting once a month that lasted for around half an hour. Outside form this they had the regular performance appraisals once a year, which was perceived as a good procedure. Nevertheless, the daily feedback was perceived as more important in early stages of the employment since the insecurity of performing good work and results are greater with less working experience. Many respondents saw the feedback as a help to find the balance in ambitions and to put ‘right’ amount of energy to the work. For example one respondent said:

“It is hard to find a way to balance and just be good enough. I often think of my work when I left it, but this is something I think I will improve as I gain more experience.”

Expectations from their managers were something that was perceived as a bit unclear for some of the respondents. One of the consultants stated at his/her company all individuals are required to ask many questions in order to understand what to do, and what is expected from them. One other respondent working at a construction site stated that he/she was often engaged and ambitious to do every task to the fullest, which led to ambiguity of how much to work. Same respondent stated: “Since the business is result oriented it is hard to go home when the work day is finished but the tasks aren’t”.

4.2.1.4 Loyalty

Most of the respondents did not feel loyal to their employer. However, they did feel loyal to their colleges and in some cases their immediate superior. One respondent did say he/she felt loyal to the company since he/she was in the developing years of the career and that it would affect the CV if changing work.

The general feeling was that the respondents were not in the pace where they wished to change employer. One interviewee had already changed worked in his/her three yearlong working life. The reasons why he/she changed employer after one and a half year was mainly the lack of support and steering procedures
in the organisation. He/she was prepared to get lower salary in order to get both personal development and more freedom in work. The situation where the respondent was experiencing was that the management teamed wished he/she should solve problems on their own, but at the same time being contradictory since the employees was not given enough support to solve the task with the conditions that existed.

As a finishing question the interviewed young employees were asked if they thought the Swedish construction industry needed to change in order to attract and retain Generation Y. The result showed a mix of answers. Especially the respondents at contractor’s thought construction companies can be better in retaining people and that the employer turnover rate was too high. Another respondent thought that the construction industry needs to be more adoptable for change in order to use more efficient tools and computer programmes. “If organisations do not become better at changing they will potentially lose young people due to frustration in inefficient processes”, said one of the respondents. However, the consultants did not share the same interpretation, since both of the interviewed consultants were quite new in their roles and satisfied with their working situation for now. However, they highlighted the future issue of a stressful environment as the projects in the Gothenburg region tend to increase. The respondent working for the client meant that:

“...the existing challenge is still how to integrate young employees in the ‘right’ way. There is a risk for us young persons to not handle the stress and we are too ambitious to know our limitations."

4.3 Investigation C - Leading Generation Y

The third investigation was aimed to get an understanding of the challenges organisations, and their leaders, experience with attracting and retaining Generation Y in the Swedish construction industry. Three interviews were held, two with managers responsible for employees and one with a Human Resource, HR, manager with responsibility for Employer branding. The respondents were a mixture of females and males, between the ages of 39 and 55 years old.

The generational theories on how to be an attractive employer for Y:ers was used as a guideline to formulate the semi-structured questions, view Appendix C. In addition some questions were based on gained knowledge from investigation A and B. One important goal for investigation C was to acknowledge managers’ opinions of the recruitment demand and future challenges for the construction industry.

4.3.1 Results

The recruitment issue of attracting and retaining a new workforce in the Swedish construction industry was a future challenge that all of the respondents highlighted in the interviews. There was no uncertainty that there will be, and that it already exists, a need of recruiting Generation Y and therefore the subject
of this thesis was expressed as an interesting area for consideration for all of the companies. The interviewed managers meant that many people in the construction industry are talking about the recruitment issue but there are no clear directions of how to handle it, and if Generation Y needs different resources than older employees.

The respondents agreed on the opinion that young employees, Generation Y, are a bit different than older generations. The managers saw differences in for example that young employees often are more bold and very ambitious, and striving for continuous personal development at the workplace. One consultant mentioned:

“There is a shift from 20 years back. The question that employees have today is ‘What can you give me?’, instead of the past where it was more about ‘What can I give you?’ during interviews.”

All managers mentioned that the young employees want development, and striving to get it fast. Sometimes they can even be perceived as impatient, for example when they work with something they find boring. “It is almost like they are afraid of not developing”, one of the managers said during an interview. Often the young employees compare themselves with friends that witnessed faster development: “Many want the same, even though the circumstances are different”. Some respondents found this behaviour frustrating since no employment are the same, and cannot be compared. However, all respondents mentioned opportunities and benefits if the company is fast on tracking and matching the Y:ers’ desires, and therefore gain very talented employees.

Further area of difference, comparing to older generations, that the respondents saw, was a more spontaneously honesty and openness in the behaviour of the new young people that enters the workforce. Generally, Generation Y is perceived as not being afraid to confront their superior, or even the superiors’ boss, when they are not satisfied. Some of the managers found both positive and negative sides of this behaviour, such as it can provide new perspectives no one thought of, but was also perceived as sometimes frustrating and time consuming.

Although companies have slowly adjust to the mindset in the new workforce, they all saw improvement areas and that new requirements must be met. However, the interviewed managers viewed it as companies and the young employees need to meet in the middle. To meet the changing behaviour that Generation Y has, one respondent highlighted that a new type of leadership needs to be formed. Especially managers need to be more direct and give feedback more frequently. For example, meeting with the boss once a year will not be enough anymore. All respondents stated that how to attract this talent is something that their companies see as a competitive advantage.

One manager believed that one of the biggest challenges that the construction industry has is to solve how knowledge is exchanged from older generations that now retires, to new employees. The manager said: “If many people are retiring and they’re difficult to replace, organisations risks facing a capacity lost”. The
interviewees also highlighted the importance of having seniors that have work experience, not only to capture knowledge, but also to give security to new young talents. One manager stressed the issue of finding the stability of knowledgeable and experienced people to recruit for projects. He/she believed the reason for why projects end up bad is due to lack of stability, repeating mistakes.

“The foundation to the knowledge transfer problem in the industry is the gap of one missing generation due to the crisis in the middle of the 90’s, leading to that Generation Y has to learn from an even older generation, which in general is known for its arrogance”, one manager expressed.

All three respondents agreed that in the latest years there has been a trend showing that employees, regardless of age, have become more disloyal. One of the interviewed managers argued that Generation Y tend to be more disloyal, while another manager meant that the whole market have become more disloyal. The third respondent agreed that it is only a myth that Generation Y is more disloyal than older generation. All respondents mentioned that for 40 years ago it was more or less taboo to change employer and that it was normal that people stayed in same organisation their entire career. The consultant also mentioned that the role of supplier and client relationships had a greater loyalty in the past. Since employees from both sides had the same role for a long time, these relationships became strong with recurring inquiries. The respondent meant that in general the entire society today tend to be more open to change, and not only the younger generation, and said:

“Today even a 60-year old person can be attractive to recruit, since this person has experience and a network that younger persons usually do not have. This person has between five to seven years more to work before retirement, which is more than expected of a newly graduated.”

One of the respondent believed that the reason for the increased mobility of changing employers is due to that the entire recruitment process at companies are more visible today:

“People tend to talk more openly and accessible information channels such as through Internet, have made it more easy to gain knowledge about different employment opportunities.”

Another manager mentioned:

“When one employee decides to leave to another employer, I recognise that the entire team starts questioning their role at the company. This starts a bad trend for us as a employer.”
According to one of the interviewed managers, all organisations are in the same problem with employees changing employers. There are people changing work every four to five year and they generally get higher salary in the end, in comparison to those who stay in the same organisation and have an incremental increase of salary. However, the same respondent also viewed higher salary as leading to increased responsibility. Thereby, gain in salary is motivated by having increased responsibility at work. All respondents agreed that more loyal employees stabilise an organisation and strengthen relationships with other organisations. At the same time there is a paradox since having experience from different roles is the industry can be seen as attractive for the employer as well. This feature was mentioned by the client respondent as attractive when working for their organisation since experience is valued highly. However, they also want young people to join their organisation early to get a mixture in age structure, and to enhance diversity and getting new perspectives.

The process of becoming an attractive employer was different between the organisations. One of the respondents described their process as formed from the vision of the founder. Their goal is to be visionaries in the construction industry and to execute projects with enthusiasm and commitment in a new way. Additionally, they believe in low hierarchy and shortened decision paths as contributors to their company’s attractiveness. The consultant described their process of becoming an attractive employer as to primarily satisfy the employees and enabling personal development. To make this possible they have a structured process for every new employee, especially the newly graduated, including targets and continuous feedback. To further enhance the process the manager meant, “it is important that the process and investment is explicit, so that the employees see that we care. Another key feature to gain satisfied employees is to put the individual in focus and to form a develop plan for each employee”. The manager also saw a drawback with this way of working since often the employees become attractive and leave because they get an offer from another organisation. However, the alternative would be to not invest in the employees, which would not gain anyone since the organisation consist of people and hence the organisation would not develop, the consulted stated.

Integrating new employees, especially newly graduated, have been discussed both in investigation B and C. All of the interviewed managers thought that the integration process is a vital part for organisations competitiveness. At one of the organisations there was no bespoken process of how to integrate newly graduated in the organisation. At another organisation it was more structured. The manager interviewed said they divide the integration process into two categories. One more administrative side, which involves the security, how to find in the facilities and what is expected. The other side has to do with the technical skills and the execution of the actual tasks given. This organisation also reflects on the size of the teams in the organisation. They aim to not have larger teams than fifteen people, in that way the team leader make sure there are enough time for discussing personal development and follow up. The manager also highlights the importance of having a daily interaction with the team members, not only as a manager but also between the team members. That will enhance security and support.
The organisation without a bespoken process of integration is a contractor, and the other one is a consultant. It can be perceived as peculiar that a consultant, which invoices per hour, puts more interest in satisfying their personnel. However, the respondents at the consultant firm said: "We only have our people and their knowledge. We do not sell any other products, and thereby it’s crucial for us to invest in our employees". The differences between consultants and contractors view on employee satisfaction is an area this thesis have chosen not to focus on. By that said, more extensive research would be needed to draw distinctive findings of the result.

The interviewees were asked about how well they perform four features that in theory are ranked highly by Generation Y at the workplace, and also highly prioritized by respondents in investigation A and B, which were:

- Personal development
- Getting feedback from the boss
- Getting your own voice heard within the organisation
- To socially integrate in the organisations

All managers answered that they enable employees’ personal development, to get their ideas heard and to socially integrate them. However, not all found that they conduct enough continuous feedback or rewards for achievements for well executed performance. They wanted to reward their employers more than they were allowed to by their organisation today. Additionally, the managers’ thought continuous feedback was important, but difficult to execute due to various reasons, such as it easily becomes empty words without meaningfulness. In addition, they believed it can be hard to find time for feedback, as well as sometimes giving negative feedback is be perceived as accusation that both can create negative atmosphere and unmotivated employees. All managers agreed that this is an area that can be improved by all leaders in the company.

The interviewed manager working for a contractor believed that the future in the construction industry is going to consist of increased profits, where the future brings large investments in urban development and a lot of projects for contractors. In addition the respondent saw a future with a better mixed demographics in companies. For example, more women and foreign born as employees. Two of the respondents mentioned a future with even greater internationalisation. One manager estimated that since there are to be large investments in the construction industry there will also become a shortage of people. Swedish companies are therefore occupied which means clients and authorities must turn to international organisations.

There was also a worry about the mobility causing talents to move between companies, risking a loss in stability. One manager believed a major reason why projects ends up bad is because of the continuity slowly disappears with knowledge workers moving. Same manager continued: “What attracts employees today is seen as larger salary or more fancy title. Because of the employment need the industry needs to get younger people promoted faster."
5 Summarizing discussion

This chapter aims to discuss the findings from the empirical study to be able to compare the results with the theoretical framework. The main findings from the three performed investigations have shown that attracting and retaining Generation Y has its connection to two themes; Leading Generation Y and Employer branding. Hence, the two themes will be discussed in this chapter. In addition, the chapter also analyse benefits of integrating Generation Y.

5.1 Leading Generation Y

As mentioned in the studied management literature about Generation Y (Pihl, 2011; Jonkman, 2011), it has to be stated clearly that the characteristics of generations is just a generalisation of a group of people, and hence every person is unique with own personality traits. However, as theory states, people are affected by the surrounding environment and the development of society that they are grown up in, which have changed frequently within the last seven decades. Therefore, in some extent there are generational characteristics connected to different generations, even though there are personal characteristics involved as well. The result from investigation A indicates that the literature can be applicable to Generation Y that soon will enter the workforce of the Swedish construction industry. For example, the result showed that personal development, feedback from manager, and get ideas heard were ranked high in this group of people.

From the three different investigations in the empirical study, all showed homogenous similarities in that Generation Y desires factors that in the past were perceived as demanding and unusual, what Asplund (2015) refers to something that only a few talents were asking for. These characteristics can be something for all leaders to adopt to as more Y:ers enters the labour market.

The main characteristic for Generation Y is the significance of personal development that also can be seen as the main attraction tool for organisations to meet. Furthermore, the result from both the theory and the empirical study showed that work environment and work relationships affected the satisfaction of this generation, more so than harder factors such as salary or titles. Thereby, it can be concluded that Generation Y are homogeneous in the sense that these aspects are highly rated, and crucial for work satisfaction of this target group. How companies in the Swedish construction industry respond to this challenge is still an on-going process, in which organisations must enhance these young employees before they leave to competitors or to other industries.
The main result from all investigations in the empirical study is that Generation Y foremost differs, in comparison to previous generation, in the area of how they want to be lead. The findings from this research show that Generation Y especially distinguishes when it comes to following areas, which also can be seen as keys to gain satisfied employees:

- Personal development
- Getting feedback from the manager
- Getting their own voice heard within the organisation
- To socially integrate in the organisations
- Having 'good colleagues'
- Be supported
- Be trusted
- Have low hierarchy

Standing from another viewpoint, the interviewed managers in investigation C saw distinguishing features in Y:ers’ loyalty, openness, honesty and hunger for feedback. These features reinforce the theory that Generation Y mostly differ from previous generation in the way they want and have to be lead. In turn that means that even if the industry is complex the main responsibility with attracting and leading Generation Y breaks down to individual leaders and strategies within individual organisations. It seems that if organisations adopt a leadership that aligns with above stated key factors for satisfaction, organisations will attract and retain Generation Y in greater extent.

In order to satisfy the mentioned desires that characterise Generation Y it can be argued that a new type of leadership is required. Having leaders that can practise diversity management, adapting to every individual needs, can be vital for companies. For example, having yearly meetings discussing development and giving feedback to the employee will not be enough for the next generation.

Both investigation A and B reinforces the theory that Generation Y believe continuous feedback is an essential part for satisfaction in their working life. As a leader, giving continuous feedback can be enormously motivational and vice versa if not performed properly. Continuous feedback will send the message that the work is important and will give the young employees an indication if the work has been done properly. This is an area in which the managers in investigation C thought they could do better, and the respondents in investigation B mentioned as an improvement area. As stated in the empirical study, it is important that the feedback do not become just empty and meaningless words, and that negative feedback will be perceived in the right way as an improvement area. This in turn places demands on leaders. Additionally, it is essential to point out that feedback does not necessarily only need to come from the nearest manager, but also from the other members in the team or colleagues, as the result from investigation B showed.

Underpinned in the interviews with Y:ers in the industry, being a relative new employee creates an uncertainty when performing work. Since young have high ambitions questions as “Is this good enough?” is often making Y:ers insecure.
Thereby, it is more important to give feedback and coaching to this generation. Brought up in the interviews the respondents showed that support make them feel free to use their creative minds, and factors such as being listened to contribute to a feeling of being important within the organisation. The ambitious Generation Y can thereby generate great benefits if leaders use their engagement and drive at the workplace. Once again the Swedish construction industry can be claimed to need more adaptive leaders that can practise diversity management and that managers can adjust their leadership depending on whom they lead.

Personal feedback and recognition as well as being seen and heard in organisation, can be stated as something every employee, regardless of age, desires, but that Generation Y values it greater as a further requirement to remain within a company. Generation Y has grown up in a society where information is easily accessible, and hearing about greater benefits and work situations for other people may cause questioning of their own situation, risking companies to lose talented employees to other organisations. Since satisfaction leads to loyalty Generation Y will demand a consciousness of the individual need, development, and support. As Jonkman (2011) stated a solution to the challenge of forming clear career paths, leaders can start addressing new young employees with questions as “how do I keep you?”.

From the interviews with the managers in investigation C, the respondents highlighted the impression that young employees do not want to perform ‘boring’ assignments, and that sometimes they quickly get unsatisfied working with certain tasks. However, when viewing all results from the different investigations the view of what is assigned as ‘boring’ or not is a personal perception. Generation Y does not wish to perform unstimulated tasks, however the respondents in investigation B mentioned that if they see a larger purpose of what they do, some assignments does not always have to be ‘fun’ or stimulating. Important here is the communication between managers and the new young employees so that purposes of assignment and expectations from both parties are clearly stated. This is one improvement area by companies that employ new young employees that start working for an organisation after graduation. A reminder of the story about ‘Building a cathedral’ can be lifted, where something that may seem boring can be perceived fun if you know why you do it. For the bold and ambitious Generation Y, that have grown up in a society with a new type of parenthood where they were involve in decisions in an early stages, this can be seen as very important for their motivation. Furthermore, in a complex industry such as construction industry, were every project is unique, newly graduated employees, as Generation Y, can be argued to have low impact on work performance since they lack experience from the industry. Thereby finding ways to involve them in procedures can be something every organisation benefit from, as they are integrated more quickly into procedures.

The theory states that Y:ers are blind to hierarchy, which also was the perception from managers leading people of this generation. The result showing that Y:ers prefer low hierarchy organisations, where they can get their voice heard, is not surprising. Organisations that can adapt to this kind of structure will gain advantages in attracting and retaining Generation Y. Organisations with many
levels of middle managers seems to be less attracting for this generation, according to this key factor.

The findings of what kind of work environment that Generation Y in the industry preferred showed desires that were aligned with the Y:ers’ characteristics. The respondents’ answers were referring to challenging assignments and being somewhat pressured to perform. At the same time they wanted some freedom of work time. The theoretical framework presented the concept of freedom over when and where to work, and having additional creative time session such as at Google or Virgin. This can be something construction companies need to reflect more of in the future, but was not found as a critical factor in the interviews in the investigation B. The reason can be that on the first years that Generation Y works they want to learn as much as possible, which also includes learning from others.

5.1.1 Loyalty and personal development

As mentioned before, the service profit chain states that satisfaction leads to loyalty. Loyalty has been a widely discussed area in the interviews and is perceived as important by all organisations, but to get there the employees must be satisfied.

The theory states that Y:ers are disloyal, and such perception can be made from the result in investigation A when the majority of students mentioned their first job as temporary. Although, summarising all information gathered from the empirical study the main characteristic affecting the loyalty is closely connected to the ambitious feature of Generation Y. The view of seeing yourself as a brand was something distinguished from interviews with Y:ers that are working in the construction industry, investigation B. With this said, Y:ers see their first job as something to develop in and settling the bar for their future career, which can be a reason why their managers sometimes perceives them as wanting great personal development and why they want it fast. While managers can see the negative side of shifting employer and affecting the stability within the organisation, Generation Y generally view it as choice related to their own personal development, and sometimes also as something positive for their CV.

Comparing the result in investigation A and B the feeling is that if newly graduated Y:ers were to get integrated properly when they enter the workforce, the retaining chance will increase drastically. For example, of the interviewed Y:ers in investigation B only one had changed employer, which was due to unorganised management. The respondent in investigation B felt no rush in evolving in the organisation. Instead they all saw great possibilities for more learning where they worked today. As a key to get satisfied employees, organisations should aim to supply material, which will provide information of the whole picture. This is also reinforced by the theory, as Generation Y has an urge of understanding the whole picture and hence management need to provide them with a purpose to work, which in turn will gain motivation to work.
In addition to the discussion on loyalty, there should be placed additional question on to whom are you loyal to?. All interviewees in investigation B said they had little loyalty to the employer itself, but felt very loyal to the colleagues. That can indicate that if one in the team decides to change employer the risk for more employees leaving the organisation will increase. This in turn may lead to negative impacts on organisations due to loss in both capacity and knowledge.

Whether or not Generation Y is more or less loyal than previous generations was a question raised by the respondents in investigation C. It can be argued that Generation Y tends to change employer in greater extent than previous generations did, since they show more consumer behaviour at work. At the same time one manager argued that the entire society have changed and become more disloyal to employees. Of the five interviewees in investigation B, only one had changed employer. How many years it takes to be perceived as loyal can only oneself answer, but since no of the interviewees were in the thoughts of changing employer and had an average of three years employment, and counting, they may not fit the profile of disloyal. At the same time, finding arguments on loyalty is difficult since Generation Y has not been working in the construction industry for that many years, and more people belonging to this generation is still expected to join the workforce the upcoming ten years.

The docent Asplund (2015) found in her recent study of Swedish young talented graduates that the top factor Y:ers seek is continuous personal development in their working life. Personal development is one of the most common reasons why young people apply for a job in a particular organisation, and also a reason why they leave a job, and should therefore be something companies in the Swedish construction industry have developed procedures for. The openness mobility for Generation Y may otherwise risk talents changing employer, not just within the construction industry but also to other industries.

The discussion on personal development is as the word states personal and is thereby difficult to analyse. Personal development does not necessarily mean climbing the hierarchy stairway in the organisation. Instead it can involve better understanding of processes in daily activities or improving personal capabilities. The strive for personal development amongst Generation Y was sometimes questioned by the interviewed managers. However, the findings from the empirical study pointed at a large misunderstanding, where mainly the communication on expectations and goals was not clearly settled.

The difference in standpoints of personal development, managers versus their young employees, is something also literature within the generational theory has touched on. The negative approach of unrealistic goals of rapid development often comes from the employers’ side. However, all interviewed respondents belonging to Generation Y showed a curiosity of development but at the same time humility to their working role. The students from investigation A also showed this feature, but was at the same time only interviewed with a questionnaire and had no freedom to develop their answers.
As indicated by a recent study by Kajsa Asplund (2015) young employees working for a couple of years have more humble desires in comparison with the investigated students in the study performed. The reason for this can be raised as a further discussion to companies in the Swedish construction industry with questions as: Does the Swedish construction industry and organisations within hinder innovative and entrepreneurial minds? or, Are there any reasons for why Generation Y students, that have not entered the industry, differ in desires in comparison with those who have worked for a while?

Furthermore, personal development often involves training programmes at companies, that can generate complexity when not trusting fully on Y:ers loyalty. For example, when organisations invest in training programmes for employees they also see it as a risk of ‘losing’ capital. That is due to the risk of people being disloyal and changing employer after finishing the training, such as been experienced by larger law firms in their internships. If this is the scenario, in a short-term perspective, it can be argued that investing in training programmes for employees can be costly investments that are not paid back. On the other hand, in a long term perspective, when employing new people it can be effective to employ people that have performed training programmes which provides the organisation with knowledge and new perspectives. Therefore, having an industry with a shared interest in educating the people that works within it can be powerful for the entire construction industry as whole, regardless of how many years people work for an employer.

5.1.2 The stressful environment in today’s construction industry

One important finding, which was collected primarily from investigation B, was the stressful environment in the Swedish construction industry that has a great impact on the ambitious Generation Y. One young employee that had worked in the industry for a couple of years stated, "It is hard to find a way to balance and just be good enough. I often think of my work when I left it…”

The ambitious Generation Y has both strength and weaknesses with their driving force towards succeeding with everything they take on. The strength is that they contribute with high working moral and self-motivation. A risk as managers in investigation C saw is that Y:ers need for personal development lacks self-awareness and that they require unrealistic demands of their own ability. Another weakness can be that these young employees take on too many responsibilities, having fear to fail and not perform. One of the young employees in interview B had already showed signs of anxiety and stress symptoms, in an earlier project. He/she also highlighted the fact that friends in the industry, in the same age, also started to have issues with handling the stress.

Fuelled by the upcoming construction projects the pressure to produce work had gone up, and for the young employees it can be argued that they are given work assignments before they have fully learned what is expected from them. The result-oriented focus that the industry possesses can be seen as risking the health of young employees and has to be something that companies take responsibility for.
The stressful environment in today's construction industry therefore puts pressure on the managers that lead Generation Y. Support, feedback and acknowledging the individuals can be argued as vital for new employees, now more than ever. If not performed, there is also a risk for young employees changing employer, not just only within the industry but also outside to other industries.

5.2 Benefits of integrating Generation Y

As stated in the background of this thesis, there are several facts showing that the future workforce in the construction industry will constitute of Generation Y. It is therefore time for companies to adjust their procedures to embrace this young generation, before they choose competitors or move to other industries. By finding ways to integrate Generation Y the knowledge loss from retirements will be decreased, the need of recruiting new employees will reduce and a future stability can be established in organisations. Many Y:ers are already on the labour market, were focus should be on retaining. In addition, Y:ers will gradually enter the industry after their graduation from universities, were companies focus should be on attracting.

The Swedish construction industry needs the workforce consisting of Generation Y in order to stay competitive. Furthermore, for companies to be able to answer the demand to increase investments of urban development projects, several challenges must be managed. The main one, as stated in this thesis, is a new type of leadership is required. In addition solving the knowledge loss due to retirements must be managed more smoothly, where for example a full-scale reading report is too much information to take in. Companies must be more proactive in order to learn and integrate new employees before older persons, who got their experience, leave the industry.

Many students of Generation Y miss out on work experience before they enter their first job. As Åkerlund (2012) reported, universities today have people graduating without being in any contact with companies or the construction industry itself. A solution for companies can therefore be to early involve students, and find ways to connect them to work such as internship or mentors. The need for integrating Generation Y into work assignments and responsibilities must be done quickly since the need for fast growth in urban development. In conjunction with the recession in the 90's the construction industry today misses people born in 60 'and 70' (Karlsson, 2008) and one manager in investigation C highlighted that the Swedish industry thereby "misses stability". The knowledge loss from retirement must therefore be solved, so that the stability remains inside organisations. How this integration period should be done the 'right' way is not investigated in this thesis, but should be something every company reflect upon. The findings from interviews held showed tendencies of too stressful environment for Generation Y as new employees at work. Thereby, if companies do not look over their integration procedures they not only risk bad health and stress for the employees, but also risk loss of talents.
moving to other industries, as Karlsson (2008) mentioned already have happened in the 90’s.

Managers in investigation C saw differences in that Generation Y are bold and want to learn a lot. This is in accordance with theory where Jonkman (2011) writes that Generation Y prefers and dare to ask many questions to not remain ignorant and miss out on knowledge. This should be seen as beneficial for companies. Generation Y can be argued to contribute with new energy to work, and that their questioning can open up for new approaches that in turn develops businesses. Similar to what the managers stated in investigation C, it can be argued that how to attract this talent is something that their companies can gain as competitive advantage.

If companies are slow to adapt to Y:ers desires, they risk falling behind in the ‘new war for talent’, coined by Bolton et al. (2014). The ‘new war for talent’ is expected to grow as more young people enter the industry. Thereby, continuously working with Employer branding on several levels in the organisational hierarchy, can be seen as a solution to use in both attracting and retaining Generation Y.

5.3 Using Employer branding for attracting Generation Y

The process of becoming an employer of choice, so called Employer branding (Mossevelde, 2014), should be something all companies in the Swedish construction industry reflects upon. As the theoretical framework has shown that involving in Employer branding can answer recruitment demands, such as the Swedish construction industry is facing the upcoming years.

In order to adopt Employer branding Barnham (2005) has presented four main approaches. The first is “Resolving and taking actions as soon as potentially serious threat, that risks the fortunes of the business, were recognised”. In the case of Generation Y and retirement losses, in combination with increased demand for construction, every organisation should take an insight glance at and reflect on the organisations future capacity. If there are indications that the organisation will not have capacity to supply the demand, being proactive and take actions is according to Barnham the right way to go. Demonstrating a proactive behaviour can also help the integration process so that young people have more knowledge before they start to fully work with great responsibilities of their own.

Furthermore, Barnham (2005) suggested that organisations should “Recognize key employees on which the business is depended on, and attempting to understand how to better meet their needs”. The theory is strengthened by McDonnell et al. (2010), who also suggest that organisations should find key positions, but additionally that these positions should have a pool of potential employees to fill in or back up. Finding key employees depends on the organisational structure and the specific organisation, which can be difficult for the construction industry because its tacit knowledge structure and the uniqueness of projects. However, it can be argued that one key area for satisfaction on the work for Generation Y is to have a ‘good’ immediate leader/manager. Thereby, depending on the
situation, the group leaders can be seen as these key employees that Barnham (2005) mentioned. Additionally, understanding the target group’s need is what this thesis has tried to do by addressing the needs for Generation Y. In that sense organisations will skip a time consuming part, in the process of becoming the employer of choice, by addressing the main points of this thesis. How the specific organisation will use the information provided in this thesis in order to form a strategy is up to each organisation.

Next step in the process, according to Barnham (2005), is “Implementing targeted initiatives to meet the need of those key employees”. As discussed before, it can be argued that the immediate leaders are a crucial key for satisfying Generation Y. If that is the case these leaders should be given incentives in order to support the key areas that should satisfy the targeted group. Furthermore, to motivate Generation Y the personal development should be stressed, and thereby new young talents should also be addressed with targeted initiatives to capture their mindset.

Barnham stated that the last step in the process of utilizing talents is “Tracking improvements to demonstrate progress and measure success”. That means the success should be measurable in order to know if progress are being made or not. In that sense, strategies can be changed or readjusted, if the existing strategy is not working as hoped. The measure can be done through for example measurements of satisfaction of the employees, in combination with how much the leaders have adopted the leadership to the individual employee.

In addition to Barnham’s theory, Adecco (2013) pointed out that the first impression of a company is essential for the future perception of the organisation. Thereby, it is of importance that companies 'live as they learn' in order to not disappoint the new employee. For example, if the organisation expresses in a recruitment campaign that the company invests a great effort into personal development the new young employees will demand this, which generates a great responsibility to their leaders to acknowledge personal goals and career paths. If the first impression is as vital as Adecco states one can wonder why organisations does not use that in their advantage, such as celebrating when a new employee is introduced.

Lastly, it can be argued that if all organisations in the construction industry would work with Employer branding it would not have any individual affect for a specific organisation, since all organisations are attractive for Generation Y. However, even if it would not have an effect within that organisation, the industry itself would be attractive, meaning people would not leave the industry and that Generation Y graduates will choose construction before other industries. Additionally, in the case where all organisations in the industry adopt an Employer branding strategic thinking it can be argued that if not adopting it, that specific organisations would not attract the talents in the industry. Therefore, working with Employer branding would be beneficial even if all other organisations in the industry would work with it too.
6 Conclusion

The thesis has investigated the recruitment challenge in the Swedish construction industry, and if the industry, and organisations within it, needs to change in order to attract and retain Generation Y. Following research questions have been investigated:

- What distinct characteristics are said to identify Generation Y as employees and are these characteristics homogeneous?
- How can companies in the Swedish construction industry attract and retain Generation Y?

Distinct characteristics for Generation Y have been acknowledged both in the theoretical framework as well as tested in the empirical study. These were related to how this new generation want to be lead and what key areas satisfy Generation Y at work. The results showed that primarily work environment and work relationships are the areas where Y:ers differentiate themselves from older generations. Generation Y can be said to be homogeneous in the way that they desire following four key areas, which characterise Y:ers at work:

- Personal development
- Getting feedback from the boss
- Getting their own voice heard within the organisation
- To socially integrate in the organisations

Organisations can use these main characteristics in order to attract and retain Generation Y. Most of the factors contributing to work satisfaction for Y:ers are primarily connected to the immediate manager, meaning the main change organisation need to execute in order to attract and retain Generation Y is to adjust the leadership. This leadership will require adaptation to individual needs and personal commitments, underpinning the demand for diversity management. In addition, companies should evaluate and develop their Employer branding to be something all employees are conscious of, and not only a directive from top management or Human Resource departments.

The findings may not be seen as a ‘new concept’ since most employee surveys show that all employees, regardless of age, may desire the four key areas. However, for Generation Y these areas are vital for retaining this generation and using their competences in the best possible way. As demonstrated in this report the Swedish construction industry is facing a supply and demand challenge of workforce, maybe even in greater extent than in other industries. Thereby, companies in the construction industry need to adapt to these four key areas in order to be attractive as employer. If not so, the Swedish construction industry risks losing an entire generation, and many talents, to competitors or to other industries.
6.1 Further research

A suggestion for further research is to evaluate if the four key satisfying areas found in this thesis differentiate depending on specific work assignments connected to the industry roles, such as consultants, contractors and clients. Additionally, suggestion on further research is to evaluate if Generation Y are more disloyal than previous generations, which some of the interviewed managers in investigation C saw tendencies of. This research is today difficult to perform since Generation Y have not been on the labour market for long, and there are still many Y:ers that are not graduated yet and are expected to enter companies in the next ten years.

Since the concept of Employer branding can be seen as a strategy to attract and retain employees a further research can be to view how different organisations in the Swedish construction industry work with Employer branding. It would also be interesting to perform a similar study comparing different companies in different industries with each other. One question can therefore be to investigate if the construction industry is slower than other industries to adapt to Employer branding of Generation Y?

Before this thesis was executed there were a lack of literature on Generation Y and how this young generation perceives their working role in the Swedish construction industry. This thesis has contributed with a new viewpoint and indications that can help organisations attracting and retaining newly graduated engineers. That in turn will help stabilising organisations, contributing to more satisfied employees and prepare the construction industry for the upcoming increase in demand for urban development projects.
7 References


Regeringskansliet (2014) *Sverigebygget: Fler jobb och mer tillväxt, höghastighetståg och 100 000 nya bostäder*


Strack et al. (2014) *The Global Workforce Crisis: $10 Trillion at Risk.*


https://www.sverigesbyggindustrier.se/faktaostatistik (2015-02-16)


**Appendix A**

*Questionnaire given to students*

<table>
<thead>
<tr>
<th>Education:</th>
<th>Study year:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sex:</td>
<td>Age:</td>
</tr>
</tbody>
</table>

*When choosing employer, how important do you think it is with...?  
(Not at all, 2-not much, 3-neutral, 4-much, 5-very much)*

1. Personal development  
   1 2 3 4 5

2. To get my ideas heard?  
   1 2 3 4 5

3. To have routines in work tasks (work within a presented framework)  
   1 2 3 4 5

4. To find ‘right’ spot in life? (‘right’ employer, social life, career etc.)  
   1 2 3 4 5

5. Feel as a part of the company culture?  
   1 2 3 4 5

6. To have freedom over my working time? (when and where to work)  
   1 2 3 4 5

7. To get rewards for achievements?  
   1 2 3 4 5

8. To be seen in the organisation?  
   1 2 3 4 5

9. To get feedback from manager?  
   1 2 3 4 5

10. To have clear career paths?  
    1 2 3 4 5

11. That your work serves a higher purpose? (e.g. develops the society or handles sustainability issues)  
    1 2 3 4 5
12. Do you see your next employment as temporary in your career?  
(Yes/No, why?)

13. What do you value most of  
   a) High salary, b) Personal development, c) Freedom over when and where to work?

14. Would you say that the expression  
   a) 'work to live' describes you better than b) 'live to work'?

15. Do you think that the construction industry (consultants, clients, contractors) needs to change in order to satisfy your requirements?  
(Yes/No)
Appendix B

Questions for Generation Y in the industry

Name:  
Age:  
Date:  

Company:  
Position:  
Years of working:  

Attractive employer

1. Are you satisfied with your working situation today, why?
   What would make it better? Is it something that you are unsatisfied with?
   Were your opinions different when you started at the company vs.
   how they are today?

2. What needs do you have in order to be satisfied at your work place?

3. In what type of environment do you perform best? Relaxed/ stressed/ controlled / high freedom etc.?

4. Working life balance
   a. How is the balance between work and private life?
   b. If your private life would collide with your work, what would you choose? And do you think your employer would approve?

5. Can you imagine working with something that you not think is ‘fun’ or stimulating, why?

6. Do you have enough equipment / tools to perform your best?

Integration process

7. Do you feel integrated in the organisation?
   How long time did it take for you to feel socially integrated/ ‘as a part of the family’?

8. How did your learning process look like?

Feedback and rewards

9. Do you know what is expected from you?

10. How often do you get feedback from your boss? Is that enough?

11. Do you get recognition for you work?

12. Do you get coaching at your work place? Is that enough?
**Loyalty**

13. How loyal do you feel towards your employer? For example, if you would get the opportunity to change employer, would you take it?

14. What would make you change employer?

Lastly,

15. Do you think that the Swedish construction industry (consultants, clients, contractors) needs to change in order to satisfy your requirements? (Yes/No)
Appendix C

Questions for managers leading Generation Y

Name:                  Position:

Company:               Date:

1. Tell us shortly what you do at your company?

2. What future challenges do you see as an employer, in relation to recruitment?

3. How do you work with being an attractive employer that retains the employees? How do you attract new people? Do you adjust your organisation to what the labour market wants, or do you search for people than wants what you as an organisation need?

4. How does the learning process look like for newly employed, especially for those who just graduated?

5. What differences do you see in managing people from Generation Y, in comparison to older generations? Any new challenges? Do they act differently? Do you see any patterns of qualities this group of people bring to your company?

6. Grade between 1-5, how well do you think your company gives room for:
   • Possibilities for employees to set up personal development targets?
   • Get their ideas heard?
   • To be socially integrated in the organisations?
   • To be rewarded for achievements?
   • To get continuous feedback?

7. How do you think the future in the construction industry looks like? Any trends the next coming 15 years?

8. Do you believe that the construction industry as a whole needs to change in order to attract and retain the new generation of work force?
Appendix D

The figure shows data from Statistic Sweden (SCB, 2013). A diagram in Mat lab has been performed to give an indication of how the future workforce will look like in the year of 2030.