

**The New Workplace:  
Attitudes and Expectations  
of a  
New Generation at Work**

**Results Of Qualitative Research**

**Prepared For:  
Knoll, Inc. and CB Richard Ellis, Inc.**

**Prepared By:  
DYG, Inc.**

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## Overview

This report presents the findings and insights emergent from a qualitative study conducted for Knoll, Inc. and CB Richard Ellis, Inc. by DYG, Inc. in the winter of 2001. The study explores two hypotheses concerning workers, especially young knowledge workers today. First, that the physical and atmospheric work environment in fast moving, high growth, high talent companies represents a dramatic departure from the traditional workplace and work style of mature, established companies, with new needs and expectations on the part of employees. And, second that as young workers “return” to considering older, established industries as the so-called “new economy” softens, they will bring with them their new attitudes and expectations.

The study consisted of ten focus groups conducted in five markets across the country where new economy companies are concentrated – San Francisco, Los Angeles, Denver, New York and Boston. Five of the groups (one in each city) were with employees in new economy companies and designed to explore their values, attitudes, expectations and demands about work life in general and the office environment specifically. We chose “new economy” workers because they represent the sharpest expression of the today’s young knowledge workers. In addition, we conducted five groups (again, one in each city) with high-level managers in these types of companies who are responsible for selection of real estate, the design and management of the office environment and human resources. Our goal with these managers was to get their insights into today’s new workers.

There are three basic insights that summarize our findings.

### 1. A New Workplace and New Work Style Clearly Exists

The results of our study confirm the emergence of a very new workplace and work style that is not likely to vanish with the current change in the economy and more difficult times for new (and old) economy companies. Workers, especially young workers, hold very clear values about their work environment that stress:

- Meritocracy – only the talented survive and anyone with talent can succeed
- Camaraderie – working with others, in teams or just collaboratively; group accomplishment is even sweeter than solo success

- Non-traditionalism, actually anti-traditionalism – doing things differently than in the past with somewhat of an “in your face” approach to making the point that “this is different”
- Integration of work and personal life – in a number of ways; co-workers are “family”; work and social life are blended together; personal and “party” activities are blended into the work day (or night)
- And fierce independence – choice of company to work for; when to leave; how you get your work done; how your work should be done are all individual decisions resulting in little loyalty to employers

While not all the participants in our focus groups found themselves in situations where these values were operating, all believe these are the right values for work life and aspire to jobs that offer them. More specifically, we found that young “new economy” workers can be characterized as follows:

- They see themselves as special, a breed apart, talented, skilled and in demand
  - They strongly believe in the value of their work -- essentially technology, knowledge based -- and expect “the rest of the world” to appreciate it as well
  - They are proud of their talents, although they adopt a mock self-effacing posture, a reverse snobbery in that they claim anyone can do what they do, all the while communicating that they know that’s not true; they enjoy being looked to for advice and guidance and admired for their special talents
  - They recognize that the “new economy” and their industries are in a real slump and that lay-offs are occurring and companies are vanishing, yet in the winter of 2001, they show little fear of the future, clinging to the belief that technology is “godlike” in its importance to the economy and the future and that their skills will always be in demand
  - They are, however, realistic about less generous financial packages on the horizon, making the other rewards of work even more important; these are discussed below
  
- They see a very clear set of “rewards” that they believe technology and knowledge work offers
  - Excitement in that work is always new
  - The freedom to create
  - The team approach, working intensely with others for good results
  - The people, as co-workers of equal skill and as friends, “family”
  - The diversity of the people you work with, in ethnic/racial background, in skills, in personality

- The intimacy of working long hours and days intensely with others who are friends and family
  - The high of creating new technology, software
  - The lack of rigid rules
  - The opportunity to move up quickly if you are talented, no matter your age or background
  - The unusual perks such as free food and foosball, which confirms the non-traditional nature of your work life
  - The blend of work and social life
  - The “constant party” atmosphere
  - And last, but by no means least, the money and financial perks
- And, they have a small but important set of displeasures about “new economy” work life
    - The hours, the 24/7 way of life, which has its appeal in that it communicates the non-traditional, the creative, the family/fun but can be wearing and is a problem for those with families at home
    - Travel
    - The frustration of nothing ever being done, final, finished, perfected; always redoing, modifying

## 2. The New Workplace and Work Style is, in Large Measure, Defined by Physical and Atmospheric Aspects

Our focus groups with young “new economy” workers reveal the importance of the physical environment and work atmosphere to the new way of work; indeed, these very visible components of everyday work life and style are the outward symbols of the underlying new values about work discussed above.

Young technology and knowledge workers are very aware of their work surroundings, from neighborhood to immediate building to work space – the look, the feel, the design and the functionality. What they want, actually expect, and judge potential and current employers on are:

- Neighborhoods, locations that offer lots of amenities and things to do during breaks and after work – restaurants, bars, shops, the beach; generally, an easily accessible neighborhood where other young, talented people are likely to be
  - The neighborhood issue extends to the city an employer is in; living in a “quality of life” city or community is very important to young workers, e.g. Denver

- Easy access to work – young workers hate traffic, hate commuting, whether it's by car in LA or subway in New York; they would prefer to live very near work; ideally walk, bike or skate board to the office
  - For those who drive, easy parking is an expectation
- A safe workplace – perhaps surprising, young workers are very sensitive to security issues at work from theft of equipment to personal harm, violence; they actively value such security devices as video cameras at entrances and key cards; they do not think security guards are very good protection (here, too, their bias toward technology as a solution shines through)
- A open, light, airy overall workplace – the metaphor is being outdoors, at the beach, on a patio surrounded by green, in the mountains; specifically, windows and natural light are critical
- Personal workspace that is roomy and comfortable, with good storage
- Technology and equipment such as video conferencing, that are state of the art, the best
- Furniture that is high quality and a status brand
- The ability to personalize their space
- Privacy in one of two ways: either, their own office for some or space between workers in an open architecture design – “new economy” workers have some conflicts around this issue. They truly do value privacy to get their work done, to concentrate, to have private phone conversations. Yet, too much isolation from other workers doesn't feel right since they deeply value the camaraderie and the collaboration of the new workplace; they crave both privacy and intimacy
- Open architecture rather than any cubicle configuration; the cubicle is the symbol of everything “old economy” in workplace design, evoking images of “prison”, conformity, being a number or stamped with a barcode. In a way, open architecture, with well-spaced working areas solves the privacy and intimacy need
- A constant mix of intense work and partying; freely available food and games to play such as foosball or basketball and freely available teamwork and collaboration from other bright, energetic people

- Ways of expressing and demonstrating their uniqueness, special-ness – very relaxed dress codes that allow for individuality and personalization; bringing their dogs or surf boards to work

### 3. Attitudes toward Management Are Negative for Some

Our focus groups reveal an “us versus them” mentality about “the boss”, management and by extension the company worked for. This is not universal; some of our “new economy” workers were very respectful of their companies, loved them, took pride in working for them, and some were in awe of the founders of their companies. But, the common theme in the focus groups was disdain, put down of management and the company. The issues are:

- Management, the boss, doesn’t know anything about technology, hasn’t a clue what the worker is actually doing, yet interjects opinions
- Management jumps from business to business, often changing the very nature of the company every few months
- Management doesn’t value, appreciate the contribution of technology, knowledge workers; respect is not shown
- Management has messed up, causing the downturn in the “new economy” and the failure of many, many companies, especially dot.coms

Our “new economy” workers were very, very clear in their views about why there is economic trouble in many technology companies. They believe it is the fault of disorganized, unbusinesslike management. Thus, while somewhat surprising, young workers want to see some “old economy” ways of operating applied to “new economy” companies. Specifically, young technology and knowledge workers hunger for:

- More structure in the business side of the company - better chain of responsibility, clear delineation of responsibility; however, they do not want structure imposed on their own work life
- More planning – the business plan, a symbol of the “old economy”, is now somewhat of a Holy Grail to young “new economy” workers because it suggests better management of company finances instead of “blowing through” millions of dollars

## Social Trends Context

The values, attitudes, beliefs and expectations of “new economy” workers discussed above, are, in fact, not anomalies that belong only to this group of workers, although technology and knowledge workers are, by far, the sharpest expression of them. A look at some of the emerging social trends in the US, especially among young adults, suggests that the “new economy” values are very much reflective of the trends and, therefore, must be taken very seriously as harbingers of the expectations of young workers in general in the near future.

The social trends discussed below are drawn from DYG SCAN<sup>®</sup>, a syndicated trend identification program that since 1987 has used surveys, focus groups and secondary source research to identify emerging trends and has interpreted those trends for business applications.

There are seven major social trends among young Americans that provide a context for understanding the values and expectations of the “new economy” worker:

- Integration of all aspects of life: Today’s generation of young adults is leading the way on this very new trend in our society. At its core, integrating all aspects of life means moving away from the “compartments” historically lived in -- work between 9 and 5; personal chores, time with family evenings and weekend, for example.

Technology, itself, has helped create this trend in that the new technologies have made possible multi-tasking which, in turn, has sparked the idea that one can do several different aspects of one’s life at once. And, technologies such as computers, the Internet and high speed telecommunications do enable us to work from home, monitor the home from work and the like.

Another force contributing to this trend is the American passion for reducing stress, the stress created by the time pressures we all feel -- the sense that there are not enough hours in the day to do all the things we need to do. For older adults, Baby Boomers in particular, the solution to stress is simplification, making trade offs, prioritizing, finding easier ways to do things. Young adults, who do express an unusually high degree of stress compared to young people in the past, take stress reduction a step further. They truly believe that doing anything from anywhere at any time reduces stress and makes life better. Talking to your friends on a cell phone while driving or walking down the street is one example.

The anytime, anywhere, anything orientation of young adults in the US today is the result of the long term (40 year) trend away from absolutes toward relativism -- no rules, no boundaries. The term “whatever”, a favorite of young adults, captures the trend toward integration perfectly; we think of this new generation as The Whatever Generation.

The work life and work style described over and over in our focus groups reflects the trend toward integration played out in the workplace. Combining partying with intense work; work and social life; expecting work to have a fun component; the dual emphasis on money/financial rewards and equally the rewards that come from creativity, independence and collegial work; working long hours and sleeping “under the desk” (no going home). The bottom line on the new work style is no separation of home from office, personal from professional.

Young adults, exemplified by “new economy” workers, are experts at this blended life and, most important, they value it highly. This new work style is what makes them non-traditional, unique. Thus, they expect a work environment -- whether it is in the new or old economy -- to deliver the blended, integrated work style.

- The Passionate Pursuit of Leisure: This trend is led by educated men, both Baby Boomer age and young adult men. It represents a major move away from the traditional American view that one must emphasize work and building one’s future over personal pleasure and enjoyment, that you will regret paying too much attention to leisure. The new ethic is the reverse -- pay too little attention to leisure and you will regret it.

There are several forces behind this shift to elevating the status of leisure. First, rising levels of education in the US have opened up new avenues of interest -- culture, art and travel. Next and related to education, is the impact of access to extraordinary amounts of information about everything, including any hobby or activity imaginable. Finally, but most important, comes the new health consciousness in the US that defines health as emotional and spiritual as well as physical. Leisure is now seen as critical to a healthy way of life.

The passionate pursuit of leisure can take many forms, but the expression of greatest importance as we consider the new worker and the new work style is the desire for an element of fun and entertainment in everything we do, including mundane chores and, certainly, including work. Thus, the fun element of the “new economy” worker’s work life -- foosball, beer parties,

camaraderie with co-workers, bringing one's dog to work -- is not just a youthful phase or a sidelight; it is very much part of the main event and not likely to go away over time or as a result of a downturn in the economy. Young workers expect and value the notion of work as a party, being entertained at work.

- Extreme Expectations; Life In The Spotlight: Our newest generation of young adults has extraordinarily high expectations for their future, financial and otherwise. It is important to note that today's young adults grew up in a period of economic expansion and boom. Moreover, they are the children of Baby Boomers and, therefore, have been raised on the "have it all" ethic and have been indulged by their parents. These experiences in their early years have produced a new young generation that is very self-confident and optimistic about their futures, some would say cocky.

It is not surprising then, that Generation Whatever's ideas about compensation, promotion, amenities at work, availability of the best technology and on and on should be "over the top".

One very crucial aspect of the great expectations of young adults is their desire to be famous, literally famous, to be in the spotlight as adults just as they were as children, doted on by their parents. Indeed, 37% of all young adults say they want to be famous.

Thus, the agenda is fortune and fame and we have to assume that for "new economy" workers, an economic turndown is not likely to dampen their expectations.

- The Gold Star Mentality: Young adults have a very strong psychology of entitlement; they assume that rewards will come their way easily.

One of the most popular child rearing directions that came into vogue as today's young adults were growing up is the push to build self-esteem early in life. This is obviously an admirable goal, but it is possible that one by-product of this endeavor has contributed mightily to the Gold Star mentality. Today, children get a gold star just for showing up at school; a soccer trophy even if you're only on the bench. This, along with influences from their parents' values, the degree to which they have been indulged by their parents and the generally robust economic climate as they grew up have all come together to give young adults a sense that things will come easily for them, all of them, the whole team. There is an expectation of collective success, fame and fortune.

Thus, their strong belief that their own talents will bring them rewards and their emphasis on a collaborative, team approach are not likely to diminish in light of the change in job opportunity should the economy weaken further. The one ironic note here is this young generation's lack of self-awareness on their sense of entitlement. In our focus groups, the theme of meritocracy was evident but from our trends perspective it is not likely that young workers will move easily into a more Darwinian economic climate.

- Emphasis On Personal Style, Diversity: Another very interesting “integration” or blend of values unique to young adults today is their dual belief in team, collaboration, collective approach and, at the same time, an embracing of diversity in ethnic/racial, life style and personal expression terms. More than any generation before it, young adults today value as inherently good the idea of difference.

Thus, it is not surprising that young “new economy” workers in our focus groups were put off by, actually shunned work environments that stressed conformity (everyone in an identical cubicle) and “old economy” demographics; the term “white guys” was used derisively throughout the groups. Young workers value difference for its own sake and judge companies on their appearance of difference -- in the racial/ethnic and gender make-up of the employee base to work space, itself. And, again, while favoring the team approach, they still want the opportunity to express their own individual uniqueness.

- Strategic Approach: Young adults today are a highly strategic generation, very adept at getting what they want and changing approaches as circumstances change. In our DYG work with both young adults and teens and with their teachers, coaches, parents, a very common theme that emerged was the ability of young people to “get what they want”, via anything from cleverness to whining to “blackmail”. And, they are very savvy for their years about the marketplace, the commercial realm, having been consumers from a very early age on.

Thus, it should not be a surprise that as the “new economy” weakens they are quick to change strategy -- seeking employment in the “old economy”, which at the moment appears more stable; recognizing that the lavish financial perks of only a year ago are over for the moment; calling for “new economy” companies to “get a business model that works”, borrow from older approaches to business success. In our focus groups conducted as the “new economy” deteriorated, this quick-change artistry about how to succeed was very evident.

However, this strategic approach does not extend to making trade offs or giving up of expectations; it just means finding another way to get what you want.

- Employee-in-charge Phenomenon: This last trend extends beyond young adults and has been growing through the decade of the 1990s. It results from better levels of education, access to ever more information and the forty-year trend toward freedom from authority and distrust of institutions. And it has been fostered by the robust economy of the past several years, which resulted in a very tight labor market. Fundamentally, there has been a sea change in the relationship between employer and employee with the old hierarchical, top down, fear driven structure toppled and a more independent, less loyal employee emergent.

While not exclusive to young adults, our focus groups reveal that this in-charge attitude is very evident among young technology and knowledge workers. As they get strategic about employment under tougher economic conditions, they may pull back from their overt “do it my way or I’m out of here” behavior a bit, but that attitude lurks just under the surface. We should not assume that a somewhat less tight labor situation will put the employer back in charge; more likely, it will bring out the cleverness in the young workers.

### Implications For Business

Taken together, all of these trends suggest that the broad expectations and new values about work found among young “new economy” workers will stay with them wherever they go as the economic climate changes on them.

Accordingly, businesses in all sectors, new and old, need to be mindful of these new expectations and values. The following principles for attracting and retaining the new breed of young worker are offered as a way of summarizing what we have learned in this research that may be of help to business:

- Money expectations must be dealt with; young workers may be moderating their expectations as part of a short term strategy to cope with economic change, but the underlying expectation of “fortune” is not likely to go away
- The non-financial part of the blend of money and non-tangible rewards requires even more attention when money is tight; as young workers adjust their money expectations downward, momentarily, they are ratcheting up the non-financial rewards part of the equation; young

workers are more likely to re-align their expectations than to trade them off

- Offering “opportunity” is a key -- the opportunity to do creative, challenging work, work you can love, the opportunity to grow; young workers value this highly
- A work environment that is organized around teamwork and collaboration among diverse (in all ways) co-workers is a second key to young workers; collaboration and diversity are almost code words for non-traditional, therefore, desirable workplaces
- The physical space is also a critical key – attractive, quality furniture with status and style; the ability to personalize; the very best equipment; young workers judge companies by their “look” and by the respect shown to employees via the physical elements and the equipment
- The physical atmosphere is equally important – where the building is; an open, light airy building and work area; a safe building; quality of life provided via short commute and easy parking; fun available at the workplace and nearby
- The perks of “family”, being taken care of, such as food; young workers need protectiveness, indulgence, a festive atmosphere