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Young Professionals Global Impact Survey:
Global Summary Report

NEXT GENERATION CONSULTING®
research for reaching out

CONTENTS

INTRODUCTION

The YP Global Impact Survey is designed to help Young Professionals Organizations (YPOs) measure their impact on their communities, and outfit them with data to help them tell their story to investors, stakeholders, members, and the media.

Young Professionals Organizations play a critical role in communities' efforts to attract and retain talent for two reasons:

1. **YPOs HELP STEM BRAIN DRAIN** – One of the key questions young people ask when moving to a community is, "Will I fit in?" Communities with Young Professionals Organizations have a ready response. Most YPOs are founded with the express intention to help young professionals connect to each other and to the community.

2. **YPOs CULTIVATE FUTURE LEADERS** – Let's face it: the boardrooms in many of our communities are filled with people who have "been there, and done that." YPOs are preparing a new generation to lead with vision and passion, and to refuel those boardrooms with new energy and initiatives. Many YPOs offer rigorous professional and board development training to their members. And when YPs feel they can make a difference in their community, they are 2-3 times as likely to stay.

In general, YPOs focus on **showcasing and shaping** a community's quality of life – one that is attractive to diverse, young talent. Community leaders, business leaders, and young professionals should **embrace YP networks and YP leaders because those that do stand to gain BIG rewards** in their quest to attract and retain talent. Communities that don't embrace young professionals and/or YPOs in effect hang a "You're not welcome" sign on the gates of their communities. Today young professionals can live and work nearly anywhere. And if they're not embraced in your community, they'll choose another one to call home.

How are YPOs measuring their community impact?
The next generation has a "Live first, work second" ethic. Unlike their parents, the next generation does not simply follow the paycheck or the company. Often, they first pick a place to live, and then find a job. **U.S. cities must develop and emphasize the quality-of-life amenities, i.e. the arts, public parks and trails, a strong after-5 scene, that attract the next generation.**

The YP Global Impact Survey (YPGIS) measures young people's **perceptions of the community's quality of life**, and also **predicts possible "YP flight"** from a community. YPGIS also measures the direct impact YPs make on their communities, including **volunteerism**, **voter registration and participation**, **job creation,** and **economic impact**.

How can a YPO leverage its YPGIS results?
Conducting annual membership surveys is like having an annual physical – it can measure one's level of health and show where you're improving and/or need further attention. The YPGIS measures a YPO's impact on its members, and progress on specific outcomes. What's even more important than offering the survey is **sharing your survey results in a meaningful way with your stakeholders**.

Here are some ideas:

1. **Sell your impact.** Every YPGIS includes data about the individual and household income of YPs in your community, plus voting, volunteer, and other behaviors. Use this data to create a profile of the power of YPs in your community. *(See online appendix for sample.)*

2. **Develop a scorecard.** Your investors and stakeholders want to see how you're making progress on key success indicators. Many YPOs create an annual "scorecard" that shows year-over-year measures in things like: their impact on YPs' perceptions of the community, their impact on YPs' likelihood to stay in the community, member attendance, etc. When your investors know that you're serious about measuring your impact, they're more likely to invest in you. *(See online appendix for sample.)*

3. **Work the circuit.** With your data in hand, it's time to take your dog-and-pony show on the road. Who needs to hear about your YPO's impact and success? We suggest getting on the agenda at your local Chamber, Rotary, and Kiwanis Clubs. Meet with the editor of your local paper, and the alternative newspaper. (While you're there, ask for a weekly or monthly column in their paper or on their Web site). Finally, hold an annual press conference to share your impact results in conjunction with one of your signature events.

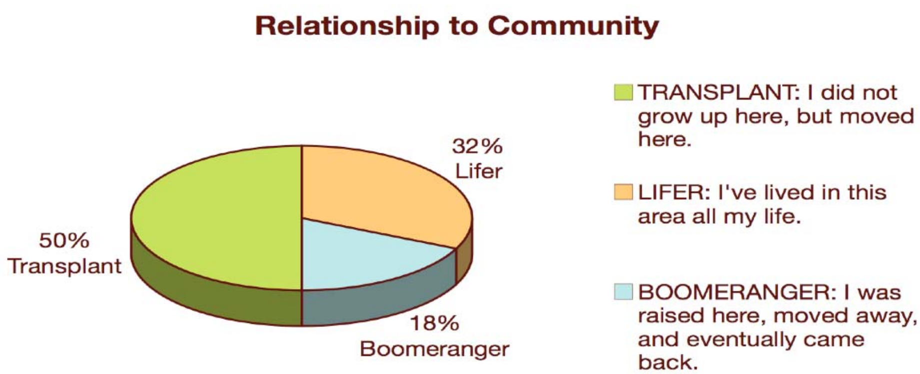
4. **Say it, say it, and say it some more**. Create a quarterly e-newsletter for your local employers and community leaders, sharing your ongoing success and community impact, giving them tips on employee engagement, and highlighting quality-of-life amenities that matter to YPs.

Online Appendix: https://www.nextgenerationconsulting.com/clients/YPO/

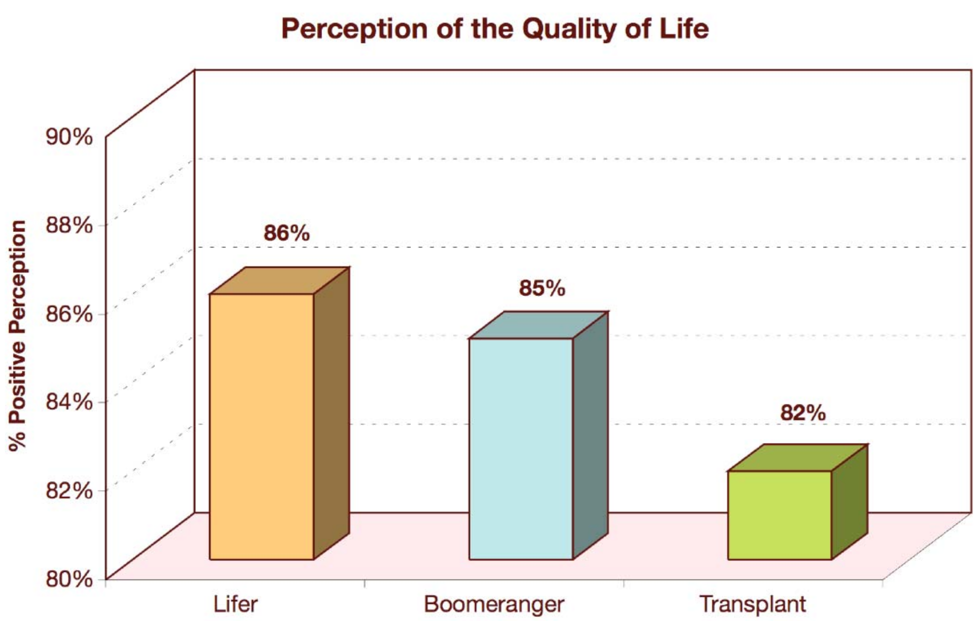
YP GLOBAL IMPACT SURVEY RESULTS

In 2008, 12 Young Professionals Organizations from across the United States participated in the YP Global Impact Survey. A total of 3,653 surveys were completed, of which 1,241 (34%) were members of the YPO in their local community.

Relationship to Community
Survey respondents were asked about their relationship to their community, and chose one of three categories to best describe them: Lifer, Transplant, or Boomeranger. Half of respondents (50%) were transplants, as shown in the pie chart below.



What do YPs think about the Quality of Life in their Communities?
Most respondents (84%) had a very positive or somewhat positive perception of the quality of life offered in their communities. The chart below matches respondents' perception of the quality of life with their relationship to the community.



Should I stay or should I go?
Over a third of respondents (39%) said they plan stay in their community for the long haul – 16 or more years. Additionally, 7% of respondents plan to stay for 10-15 years and 9% plan to stay for 5-9 years.

Perhaps most young professionals plan to stay in their communities because of the cost of living: 75% said they feel they can afford to live in their preferred area of their community.

Economic Impact of YP Flight
While many respondents plan to stay in the community, a sizeable minority plan to leave in the near future: 15% plan to stay for only 1-4 years, and 4% plan to leave within the next year. What kind of economic impact could this have on the community?

Using a standard economic impact calculator of 1.2[1] we can see that when a YP leaves your community, it makes a $67,800 impact.

Economic Impact = 1.2 X Median Individual Income

Economic Impact = 1.2 X $56,500[2] = **$67,800 per person**

In other words, each community will stand to lose an average of $67,800 for each young professional who leaves. **With 693 young professionals planning to leave their communities within 4 years, communities stand to lose approximately $47 million overall, or about $3.9 million per community.**

The Seven Community Indexes
Next Generation Consulting has developed a proprietary system to "see" a community through the lens of the next generation. Specifically, the next generation analyzes a community according to seven indexes that they value: Vitality, Earning, Learning, Social Capital, Cost of Lifestyle, After Hours, and Around Town.

We asked respondents two questions about the seven indexes:

- How important are these amenities to you (Value)?
- How well does your community provide these amenities (Perception)?

Table 1 (next page) provides a comparison of young professionals' *value* and *perception.* The "Value" column represents the percent of respondents who chose "most important" or "somewhat important" for each index. The "Perception of Community" column represents the percent of respondents who chose "completely agree" or "agree" with how well their community offers amenities in each index. The "variance" column represents the difference between value and perception.

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[1] It's generally accepted among economic development professionals that for every dollar an employee in your community earns, it cycles through the economy 1.2 times. This is a conservative figure; some economists use a multiplier of 2 – 7 times the employee's income.
[2] This is the median income reported by respondents to the 2008 YP Global Impact Survey.

Table 1: Value vs. Perception of Community in the Seven Indexes

	Value	Perception of Community	Variance
COST OF LIFESTYLE: I want a community where I can afford to live, work, and play.	98%	78%	-20%
EARNING: I want a broad choice of places to work and an environment that is friendly to entrepreneurs.	96%	52%	-44%
VITALITY: I value a vibrant community where people are 'out and about' using public parks, trails and recreation areas, attending farmers' markets and living in a healthy community.	93%	63%	-30%
AROUND TOWN: I want to live in a community that's easy to get around in; I don't want long commute times.	91%	75%	-16%
LEARNING: I want to plug into a community that offers life-long learning and values being 'smart.'	91%	73%	-18%
SOCIAL CAPITAL: I value living in a diverse community, where people are engaged and involved in community life.	87%	48%	-39%
AFTER HOURS: I want to be able to find authentic local places to have dinner, meet for coffee, hear live music, or just hang out. I want to be able to attend art openings, theatre, and cultural festivals.	87%	63%	-24%

Peach highlighting = greatest mismatch between value and perception

Blue highlighting = closest match between value and perception

Force Ranking: Seven Community Indexes
This portion of the survey asked respondents to rank the seven community indexes in order of importance to them. Below is the overall ranking, with 1 representing the most important factor.

1. Cost of Lifestyle (19.7%)
2. Earning (16.5%)
3. Vitality (13.9%)
4. After Hours (13.3%)
5. Learning (12.8%)
6. Around Town (12.1%)
7. Social Capital (11.7%)

Respondents ranked Cost of Lifestyle, Earning, and Vitality in the top three spots in both the Force Ranking question *and* the Value question (see previous page).

Net Promoter Score: Community
The community Net Promoter Score (NPS) measures residents' likelihood – on a scale of 1 to 10 – to promote their community to friends or family who are considering relocating.

Residents who rate their likelihood of promoting their community with a 9 or 10 are considered "promoters." Residents who give a score of 6 or less are considered "detractors." Scores of 7 or 8 are considered neutral and do not count toward the NPS.

We calculate the NPS by subtracting the percentage of detractors from the percentage of promoters, as follows:

Net Promoter Score (NPS) = % Promoters – % Detractors

Overall, 38.4% of respondents were promoters, and 23.9% were detractors, resulting in an average Net Promoter Score of **14.5%.**

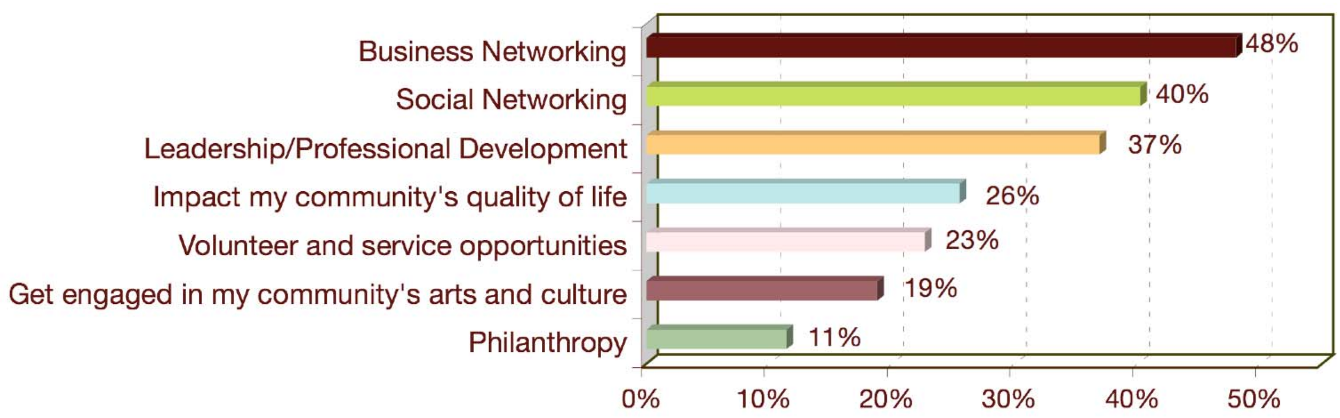
The NPS can range from -100% (all detractors) to 100% (all promoters). Many companies use the Net Promoter Score to predict future revenue. Although companies and communities are selling different products, it's interesting to note that companies with intensely loyal and engaged clients, e.g. Apple, EBay, have Net Promoter Scores ranging from 50-80%, while the average organization "sputters along" at 5-10%. A negative percentage means the number of detractors outweighs the number of promoters. The Net Promoter Score is based on years of research on customer loyalty and profitability spanning several industries and decades. To learn more about the Net Promoter Score and how it's being used by a variety of industries, see **http://www.netpromoter.com/.**

YP RESULTS:

Involvement and Impact

YPO Involvement
We asked respondents several questions about their involvement in their YPO, as well as its impact on the community. Although 1,241 respondents (34%) identified themselves as current members of their YPO, only 677 respondents (20%) considered themselves to be active participants. Most members became involved for business or social networking, as shown in the chart below.

Reasons for Involvement in YPO



Involvement in the community's YPO had a positive impact on the quality of life: **65% of members said their perception of their community's quality of life was very positively or somewhat positively impacted by their YP organization**, compared to 39% of all respondents (members *and* non-members). Additionally, **25% of members (and 13% of all respondents) said they were more likely to stay in the community because of their YPO.**

Net Promoter Score: YPO
The Young Professionals Net Promoter Score measures respondents' likelihood to promote their young professionals organization to friends or family. We calculate the NPS by subtracting the percentage of detractors (scores of 6 or less) from the percentage of promoters (scores of 9 or 10).

Net Promoter Score (NPS) = % Promoters – % Detractors

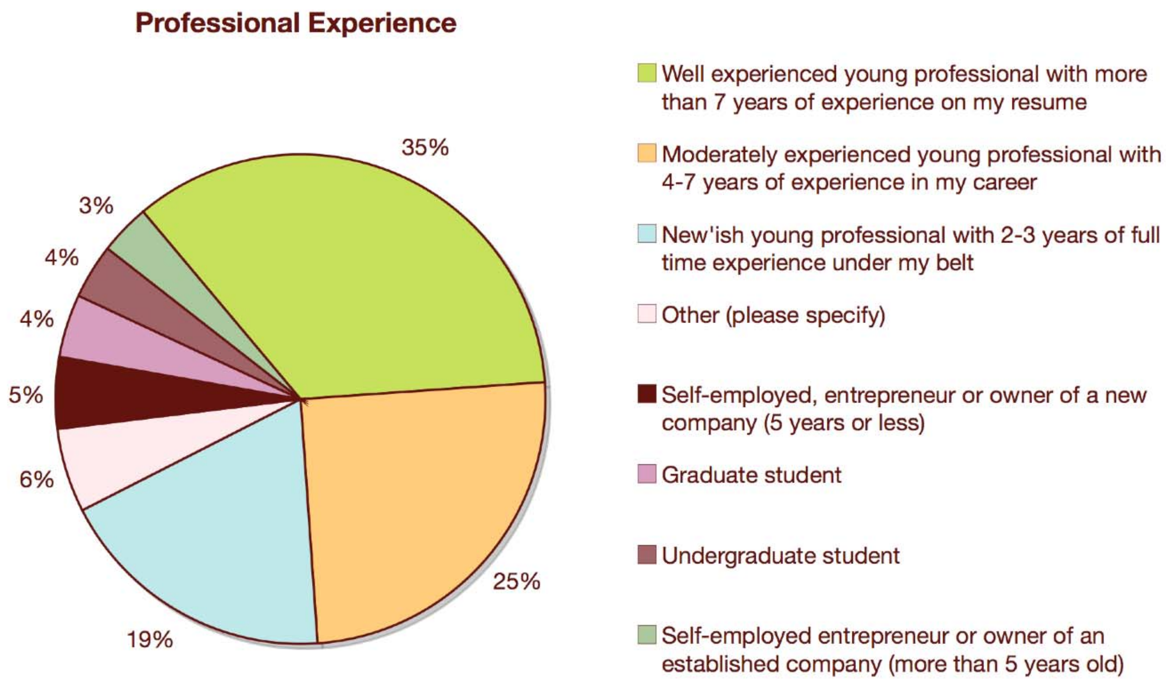
For YPO members, 48% were promoters and 24% were detractors, resulting in an NPS of **24%.** For all respondents (members *and* non-members), 28% were promoters and 48% were detractors, resulting in an NPS of **–20%.**

PROFESSIONAL RESULTS:

Experience, Entrepreneurship, and Engagement

Professional Experience

Over a third (35%) of all respondents were well-experienced young professionals (over 7 years in the field), 25% were moderately experienced (4-7 years), and 19% were relatively new (2-3 years). The pie chart below shows the complete picture of respondents' professional experience and employment situation.



The majority of respondents (84%) said they were not looking for a new job at the time of the survey, though 34% said they would be open to jobs within the community.

Entrepreneurship

Approximately 17% of respondents identified themselves as entrepreneurs or business owners, the majority of whom (63%) had 10 or fewer full-time employees.

Entrepreneurs were also asked about their annual top-line revenue. The majority (52%) of entrepreneurs reported annual top-line revenue of $200,000 or less. Approximating midpoints for each revenue category, we estimate that the total annual top-line revenue from all entrepreneurial respondents was $713 million. The approximate average annual top-line revenue was $1.3 million.

Employee Engagement
The Next Generation Company's six dimensions of employee engagement are based on interviews and surveys with over 25,000 respondents in the U.S., Canada, and Western Europe. It shows that workplaces that engage both the heads – and hearts – of their employees are not only great places to work, but also generally outperform their competitors.

Respondents were asked to rank the six dimensions of engagement in order of importance to them, with 1 representing the most important factor:

1. Life-work Balance (19.4%)
2. Trust (18.3%)
3. Rewards (16.5%)
4. Development (15.8%)
5. Management (15.5%)
6. Connection (14.5%)

The #1 and #2 spots went to Life-Work Balance and Trust, indicating that young professionals value flexibility that allows them to meet the needs of their professional *and* personal lives, as well as working in an environment where people act with integrity and respect.

DEMOGRAPHICS

Overall, the majority of respondents were:

- Well-educated (84% have a four-year degree or higher)
- Mobile (59% of respondents did not have children)
- Living with a partner, spouse, or significant other (63%)
- Working in Finance or Insurance (17.3%) or Professional Scientific, and Technical Services (17.1%)
- Charitable: 55% donated over $250 in the last 6 months; the approximate total charitable donations from all respondents over the last 6 months was $2.7 million
- Home-owners (71%), with the average home value at approximately $184,000
- Registered Voters (94%), with 77% voting in the last local election
- 25-34 years old (61%)
- Female (60%)
- White (90%)
- Heterosexual (96%)

About the YP Global Impact Survey

Next Generation Consulting (NGC) offers the YP Global Impact Survey to Young Professionals Organizations for a modest fee, in an effort to help YPOs gather data that will help them sell their value to investors, members, and other stakeholders. NGC also supports YPOs through their sponsorship of the Young Professionals International Summit, www.ypsummit.org.

If your YPO is interested in participating in the YP Global Impact Survey in 2009, please contact Margaret Leaf at 1-888-922-9596 ext. 709 or ml@nextgenerationconsulting.com.

About Next Generation Consulting

Next Generation Consulting is a market research firm committed to engaging the next generation.

We started interviewing young people in 1998 to help employers figure out how to keep Gen X employees. Remember Casual Days? Foosball machines? Take-your-dog-to-work? We were there.

By 2001, we'd branched off into other lines of inquiry: what kind of shoes does the next gen prefer? (consumer goods) How do they choose a city to live in? (mayors, workforce and economic development) What gets them to attend performing arts events? (arts organizations)

Bottom line: if you want to engage the next generation, we'd like a chance to earn your business.

Who We Are / What We Stand For
NGC is a collective of smart, balanced people committed to building better places to live and work. As Jim Armstrong, our communication guru says, "A business isn't a brand to be built, but a cause to be believed in." ® We believe passionately in Next Generation Companies®, Cool Communities and the Arts.

Who We Serve
We work primarily with companies who want to become great places to work for the next generation and communities that want to attract and keep young professionals. We work occasionally with consumer brands on marketing campaigns.

For more information, please visit **www.nextgenerationconsulting.com**.