

Maximizing Millennials in the Workplace



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Executive Development

By:

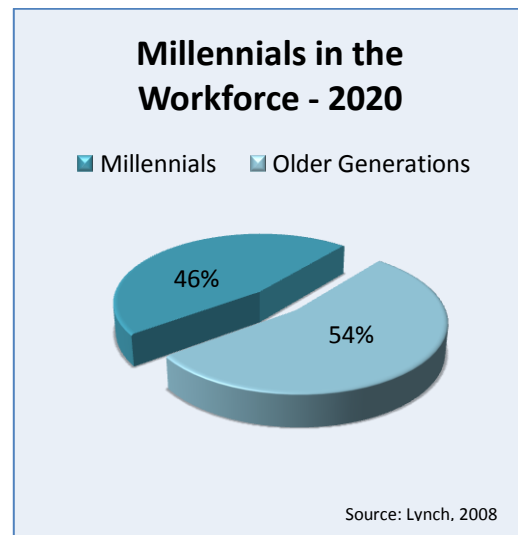
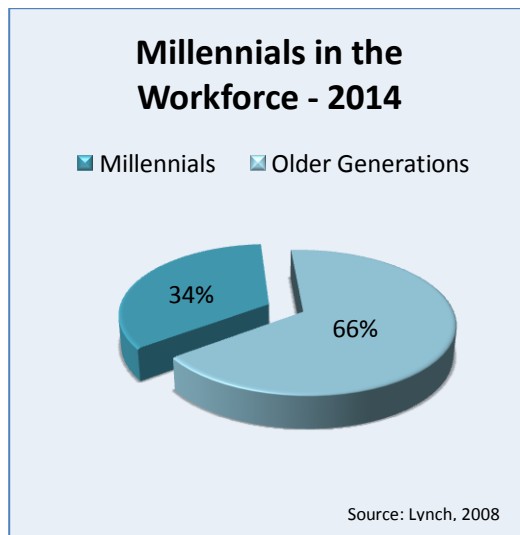
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Introduction

They are known as Millennials, Gen Y, Gen Next, Echo Boomers, the Baby-on-Board Generation, Screenagers, Facebookers and the MySpace Generation, to name just a few. Whatever you choose to call them, they are the nearly 80 million young adults born (according to the U.S. Bureau of Labor Statistics) between 1976 and 2001 who have already joined or are preparing to join the workforce. By 2014, 36 percent of the U.S. workforce will be comprised of this generation and by 2020, nearly half (46 percent) of all U.S. workers will be Millennials (Lynch, 2008). By comparison, the generation before them, Generation X (or Gen Xers), represent only 16 percent of today's workforce. The sheer volume of Millennials, combined with the relative lack of Gen Xers and the increasing retirement of Baby Boomers means that employers will be facing leadership gaps. And they will be looking to Millennials to fill those gaps.



By all accounts, Millennials are unlike preceding generations. They view the world differently and have redefined the meaning of success, personally and professionally. In some cases, this has led to misunderstanding among the different generations co-existing in today's workplace. Increasingly, however, business leaders are realizing this generation's unique competencies and perspective, and employers are looking for ways to harness their strengths. (For additional insights on how to leverage the shared values of the different generations in your workforce, refer to the UNC Executive Development white paper: [Rethinking Generation Gaps in the Workplace: Focus on Shared Values.](#))

This white paper:

- Examines the positive characteristics Millennials bring to an organization.
- Explores what this generation feels is important in a job and what they expect from their employers.
- Offers HR and talent development professionals some practical tips on how to keep this generation engaged.
- Provides examples of what leading-edge organizations are doing to leverage this generation's strengths and to integrate them into a multi-generational workforce.

The Cowboys

The generations preceding the Millennials are sort of like cowboys, a rugged, individualistic lot. In general, these Baby Boomers and Gen Xers believe in a command-and-control management approach, value working individually, view managers as experts and look to their employers for career planning. They like clear boundaries and have a generally inward-looking perspective as compared to Millennials (Gartner Research in Lynch, 2008).

These characteristics are understandable. Baby Boomers and Gen Xers grew up during a time when conducting research required a trip to the library and a stroll through the index card file. If they were early cell phone users, they toted around a two-pound, brick-sized phone with a whopping half-hour of talk time. Life for these generations was more linear. It took time to progress from point A to point B.

The Collaborators

In contrast, Millennials see life in more circular, optimistic terms. For them, life is more like London's Eye—the city's giant Ferris wheel—there are multiple opportunities to stop along the way, with great views they can instantly snap with their camera phones, post to Facebook, and add a status update, all before the next stop.

They have grown up with technology. They have always been able to open multiple tabs in an Internet browser to conduct research and search for movies and music while simultaneously playing Angry Birds. They use social media applications like they

were born to it—because they were. They are tech-savvy multi-taskers because that is all they have ever known. They don't view managers as content experts (like their predecessors) because they know where to find multiple versions of the information. Instead, they view managers more as coaches and mentors. They know of dozens of websites that can help them plan their own careers, and the constant launching of a newer or better app has made them continuous learners.

Still, Millennials were raised under heavy supervision. This generation didn't grow up in a world where kids left the house on their bikes every summer morning and returned in the evening just in time for dinner. They were driven to soccer practices, music lessons and T-ball games, and most summer days were spent at a carefully selected camp. Their early (and constantly supervised) exposure to team sports has made them the best team players and collaborators in generations.

Millennials are continuous learners, team players, collaborators, diverse, optimistic, achievement-oriented, socially conscious and highly educated.

In addition, they are the most diverse generation to date and not just racially or ethnically. This generation has more individuals than ever who come from single-parent homes, blended

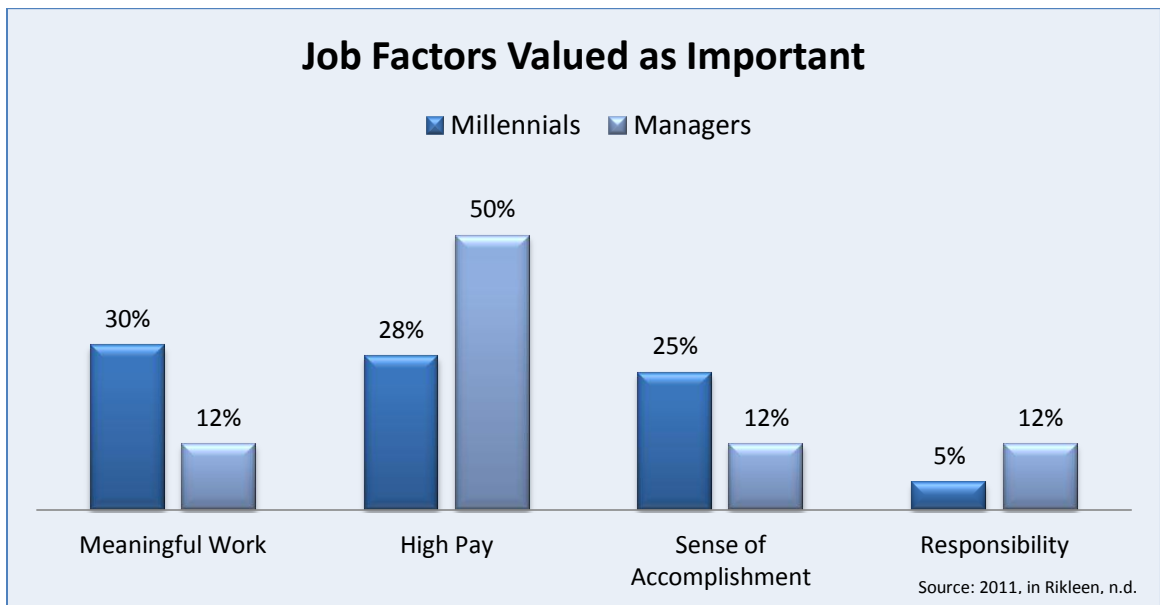
families and same-sex parent families. Millennials are optimistic and achievement-oriented. They are also the most educated generation in history (Newman, 2010; Rikleen, n.d.). And thanks to technology, they are aware of their own vast numbers and their impact on the environment. This generation is socially conscious and expects their employers to act in socially conscious ways.

The Clash of the Cowboys and the Collaborators in the Workplace

Not surprisingly, what makes Millennials unique—their tech-savvy, multi-tasking, collaborative approach to life—may cause some challenges in the workplace. Where the “cowboy generations” take an individualistic approach to life and work, Millennials crave collaboration, team-based work projects and an unstructured flow of information at all levels. They have an outward-looking perspective and interact with an extensive network of communities beyond their employer, which may be interpreted by other generations as a lack of dedication or loyalty (Gartner Research in Lynch, 2008).

While Baby Boomers and Gen Xers want job security and structure, Millennials seek employability and flexibility. Millennials want to continually add to their skills in meaningful ways. For them, work isn't just about income. It's about personal enrichment and fulfillment, which means that having flexibility in their work schedules is highly regarded. In fact, a recent Mercer study (in Nekuda, 2011) found that the top three career priorities for Millennials were compensation (most Millennials graduate from college with an average of \$20,000 in debt), flexible work schedules and the opportunity to make a difference. Not far behind the top three were having trust in their organization's leadership, receiving benefits and getting professional development opportunities.

Cowboys also value these factors in their jobs but to a different extent. In a study by Levit and Licina (2011, in Rikleen, n.d.) when asked how important meaningful work was, 12 percent of managers said it was important versus 30 percent of Millennials. Fifty percent of managers in the study said that high pay was important, versus 28 percent of Millennials. Only 12 percent of managers said a sense of accomplishment was important, as compared with 25 percent of Millennials. And while 12 percent of managers said responsibility was important, only 5 percent of Millennials thought so.



Company Spotlight: Johnson & Johnson



Johnson & Johnson formed its first-ever generational affinity group, the Millennials, to help raise understanding of the generation and to encourage inclusion across all generations. The group serves as an educational resource and awareness advocate about Millennials’ culture and characteristics, empowers and supports Millennials’ professional growth and success, and works to establish relationships between Millennials and all other employees to encourage a deeper understanding of the Millennial population. The group is open for everyone—not just Millennials—to join.

(Rickleen, n.d.)

With such different work expectations among generations, it is no wonder that some conflict may arise. These different expectations can and must be managed, particularly now, as we slowly emerge from the Great Recession, which officially ended in 2009 and delayed the wave of Baby Boomer retirements.

Cowboys vs. Millennials: Workplace Expectations

Cowboys	Millennials
Command and control management style	Active, involved leadership
Individually focused work	Collaborative, teamwork
Managed flow of information	Unstructured flow of information
Job security	Employability
Work = income	Work = income and personal enrichment
Structure	No structure; flexibility is highly valued
Inward looking	Outward looking
Influence through organization, position	Influence through networks, communities
Source: Gartner Research in Lynch, 2008	

What Millennials Want from Their Employers

Understanding how Millennials were raised and their collective world experiences can help employers better understand what they want from their jobs.

Diane Spiegel, CEO of The End Result, a corporate training and leadership development company, writes that Millennials want the following from their employers:

1. **Coaching.** Millennials were raised with constant coaching and feedback and expect it to continue in the workplace. Coaching will keep Millennials engaged in their work. Spiegel notes that coaching does not need to be time consuming or overly formal. “Coaching,” she states, “can be as simple as a quick e-mail response, a text or a two-minute conversation.”
2. **Collaboration.** Millennials are natural collaborators, particularly when the group’s purpose and goals are understood. Spiegel recommends that employers be clear about deadlines and any business boundaries the group should be aware of.
3. **Measures.** Millennials were raised with a lot of structure and measuring systems and are accustomed to understanding how they will be judged and assessed. They expect these metrics to continue in the workplace, so employers should define clear and consistent job assessment criteria.
4. **Motivation.** Millennials want a work environment that is comfortable and which inspires them to contribute without fear of being criticized. Spiegel suggests throwing a pizza lunch or giving time off for a job well done (Spiegel, 2011).

In addition to Spiegel’s observations, Cara Newman of Young Money adds a few more. The structure Millennials grew up with means that they are used to supervision. They prefer, however, to follow leaders who are honest, have integrity and who treat them with respect. Leaders should let Millennials know the big picture so they understand their roles. They want flexibility in their jobs and opportunities to learn and meaningfully contribute. Offer projects, then, with a learning component. It will challenge them and make them work harder (Newman, 2010).

The Millennial Engagement Challenge

The recent recession has taken its toll on everyone, but Millennials in particular were hard hit. Many younger adults, who were employed at the start of the recession, became victims of “the last one in, the first one out” syndrome. This soured their perceptions of the workplace; 37 percent of Millennials in a recent SBR Consulting survey said they didn’t trust big business (Randall, 2011).

A 2011 Pew study on young adults and work found that 41 percent of the public believed young adults (between the ages of 18 and 34) were having a tougher time in today’s marketplace than middle-age and older adults when it came to finding long-term employment. Government statistics appear to back that impression. Since 2010, the share of young adults currently employed (54 percent) is the lowest since the U.S. government started collecting such data in 1948. In addition, the gap in employment between young adults and all working adults—about 15 percentage points—is the widest on record. Furthermore, younger adults employed full time have experienced a 6 percent drop in weekly earning—more than any other age group over the past four years (Taylor et al, 2012).

The Pew survey also found that during the recent recession, 49 percent of the young adults surveyed said that had taken a job they didn’t want just to pay the bills, and nearly a quarter said they had taken an unpaid job to gain some work experience.

For employers, this means that many working Millennials are probably not engaged and, according to the SBR Consulting survey, 70 percent of them are planning to change jobs once the economy improves (Nekuda, 2011). (For additional insights on employee engagement, refer to the UNC Executive Development white paper: [*Focusing on Employee Engagement: How to Measure and Improve It.*](#))

This potential exodus of Millennials from their current jobs combined with Baby Boomer retirements could put organizations at risk at a time when many are only now finally making it solidly back into the black. This turnover will mean knowledge and productivity loss, higher recruitment and training costs, not to mention the leadership gaps that will be created by exiting Baby Boomers. There are simply not enough Gen Xers in the workplace to fill the leadership gaps that will occur, and employers must prepare Millennials now to help fill those gaps.



HR's Role in Attracting, Developing, and Retaining Millennials

Despite the setbacks Millennials experienced as a result of the recession, the bad times, according to the Pew study, did not trump this generation's optimism. Among the young adults surveyed, 88 percent said they either earned enough money now or expected to in the future. Young adults are concerned about their future employability, however. Nearly half (46 percent) of young adults responding to the survey said they lacked the education or training necessary to get ahead in their jobs or careers, a number that could reflect Millennials' awareness of the fast-paced change inherent in a knowledge economy. In addition, the survey reflected an increased level of vulnerability among young adults; only 43 percent felt extremely or very confident that they could find another job if they lost or left their current one.

Millennials then, are optimistic about their future earnings but feel vulnerable about their immediate employability. They are also deeply concerned whether they have the training and skills needed to compete in the long run.

Company Spotlight: General Electric

To help transition its Millennial workforce to GE's culture, HR leaders at GE formed a team of 21 Millennials from various GE



businesses and functions with a goal to identify ways to attract, develop and retain Millennial talent. The team, named "Global New Directions," returned from their three-month assignment with the following recommendations that were adopted by senior leaders:

- Use gaming technology to connect the world to GE in a fun and engaging way to educate prospective employees about the company's values.
- Create a personalized suite of benefits that offers more flexibility and choice to better meet the needs of GE's global, diverse workforce.
- Enhance performance management systems with new tools to help employees navigate their careers at GE, to identify a wider range of job opportunities throughout the company, and to offer more "just-in-time" feedback and coaching.

(Peters, 2012)

With this in mind and understanding what Millennials are looking for from their employers, here are a few steps HR and talent management professionals can take to attract, develop and retain this generation:

Step 1: Attract them.

When trying to attract Millennials to an organization, communicate to prospective employees what the organization does to engage workers. Let them know about the organization's culture, open communication policy, flexible work schedules, training-and-development opportunities, etc. Companies like Google and Deloitte are increasingly using technology to deliver this information through video streaming on recruiting websites. Employees are often featured in the videos, letting prospective employees "walk" with them through their day as they explain how the organizational culture fits with their job. Technology and e-learning opportunities can also be used in onboarding and cross-training programs. (For additional insights on how leading organizations use technology in their HR practices to attract and retain talent to their organizations, refer to the UNC Executive Development white paper: [*The Recruiting Revolution: How Technology is Transforming Talent Acquisition.*](#))

It may also be time to consider Millennials' compensation needs, particularly in light of the average \$20,000 debt Millennials have in student loans after graduating from college. Compensation packages slightly above industry or regional averages can provide organizations a recruitment edge in attracting the best and brightest of this generation. Most Millennials also believe that they will never see a pension or Social Security check and that they will need to find their own financial independence in retirement, so offering immediate 401(k) eligibility can have appeal for Millennials (Lynch, 2008).

Step 2: Develop them.

In addition to the steps taken to attract Millennials, leadership expert Lauren Stiller Rikleen offers the following tips on how to develop Millennials into leadership roles:

- Develop initiatives that foster mutual support and understanding among the generations. Training on intergenerational dynamics will help build rapport and a stronger sense of community. For Millennials, offer soft-skills training like how to assimilate into a new workplace culture, how to work with team members assertively and diplomatically, how to process feedback, how to approach a supervisor for coaching and mentoring, and how to set long-term career goals.
- Offer collaborative discussions like roundtables that encourage innovative thinking across generations.
- Foster an appreciation of diversity within the organization. This will help all generations avoid the stereotyping that gets in the way of valuing the skills sets of each employee (Rikleen, n.d.) .

These kinds of leadership development opportunities will not only help minimize the misperceptions that arise among generations, but will also help prepare the Millennial generation to assume leadership roles when Baby Boomers begin leaving the workplace.

Step 3: Retain them.

Creating an organizational culture that is flexible and relaxed, has open communication, encourages sharing and innovation and offers flexibility is a good step to keeping Millennials engaged. Millennials want fun and a less formal atmosphere may help foster it. Open and honest communication is highly valued by Millennials and they expect it from their leaders, so when focusing on creating a comfortable culture, consider not just the formal surroundings but also the nature and tone of organizational communication. Good communication will also help them understand their role in the organization, and may break down some of the distrust this generation has of big business. (For additional insights on how organizations have used open-book management practices to create an engaging corporate culture, refer to the UNC Executive Development white paper: [*Embracing Open-Book Management to Fuel Employee Engagement and Corporate Sustainability*](#).)

Training and development budgets were hard hit during the recession. Millennials place a high value on having those opportunities available through their employers and want to acquire new skills and abilities to remain competitive, so it is now more important than ever to reinstate those budgets. Training and development opportunities can include on-the-job training, coaching and mentoring. Some organizations have taken coaching and mentoring a step further by instituting reverse mentoring programs, which allow Millennials to share their technological knowledge to other generations in the workplace. (For additional insights on how organizations have used e-learning and technology to cost-effectively develop and retain their employees, refer to the UNC Executive Development white paper: [*Unlocking the Potential of On-Demand Learning in the Workplace*](#).)

Coaching and mentoring programs can help retain Millennials. A study of Sun Microsystems by Bellevue University's Human Capital Lab found that mentees had a 23 percent higher retention rate than non-participants, and mentors had a retention rate that was 20 percent higher than non-participants, resulting in estimated savings of \$6.7 million (Nekuda, 2011).

Company Spotlight: Northrop Grumman

Northrop Grumman's Connect1ng program is run by employees, for employees and its aim is to retain

NORTHROP GRUMMAN

recently hired and highly skilled engineers. The all-volunteer team organizes social networking, community outreach and professional development activities across 26 geographic regions. In the past three years, more than 15 percent of Northrop Grumman employees have participated in more than 1,000 events.

The program also focuses on providing education about the business, industry trends and relevant career planning information. It also aims to provide frequent interaction with senior executives who provide guidance on career paths to new hires.

(Rickleen, n.d.)

Millennials are continuous learners and there is evidence that learning opportunities, such as tuition reimbursement programs, increase retention rates. A Bellevue University study of Mutual of Omaha found that employees who participated in the company's tuition reimbursement program were twice as likely to stay as non-participants (Nekuda, 2011).

When considering training and development opportunities targeted to Millennials, leverage their love of technology with e-learning opportunities. E-learning opportunities can be on-demand, offering flexibility in terms of when and where Millennials participate (a feature Millennials highly value), and are extremely cost effective. Employers are increasingly using e-learning to teach introductory concepts like business basics or sales techniques.

Millennials like to work collaboratively on teams, so now would be a good time to take a teamwork approach to work on a test run. Since other generations may balk at this approach, consider forming a team of Millennials to tackle a particular project—just be sure the project fits with the organizational mission, goals and objectives because Millennials will want to understand how the project fits into the big picture.

Finally, keep the doors open for Millennials who leave the organization. Many organizations have developed virtual alumni networks that keep former employees up-to-date on what is happening in the organization. These networks can also be used to post job announcements specifically tailored to alumni who may be ready to return.

Conclusion

The nearly 80 million Millennials who are about to enter or who are already in the workforce will fundamentally change how business is conducted in the future. HR practices and policies designed to attract, develop and retain this vast cohort must change to reflect this generation's work—and life—expectations.

About UNC Executive Development

Our approach to program design and delivery draws upon the power of real-world, applicable experiences from our faculty and staff, integrated with the knowledge our client partners share about the challenges they face.

We call this approach [The Power of Experience](#). We combine traditional with experiential and unique learning. Through action learning and business simulation activities, we challenge participants to think, reflect and make decisions differently.

Our Approach: The Partnership

Our team customizes each leadership program through a highly collaborative process that involves our clients, program directors, faculty and program managers. This integrated approach consistently drives strong outcomes.

Our Approach: The Results

Our executive education programs are designed with results in mind. Below are a few examples of the results our client partners have achieved:

- Leadership refocused with new strategy and cohesive vision
- Strategic plans created for the global marketplace
- Supply chains streamlined
- Products redefined
- New markets targeted
- Cost-saving measures developed
- Silos leveled
- Teams aligned

Participants leave empowered to bring in new ideas, present different ways to grow business and tackle challenges. The result is stronger individuals leading stronger teams and organizations.

The [UNC Business Essentials](#) online business certificate program provides individuals without business backgrounds the business skills and knowledge necessary to help them pursue their career goals and make a positive impact in any organization. The program's flexible e-learning environment enables a positive and challenging learning experience for employees while minimizing costs such as travel, lodging and lost productivity.

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