

The Millennials cometh

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Amy Griswold first logged onto a computer when she was 3 years old. At 13, she launched her own Web site. Like others born between 1982 and 2000, Griswold is dubbed a "Millennial," also known as a member of iGen (the Internet Generation), GenY or an Echo Boomer. Unlike the GenXers and baby boomers who preceded her, Griswold and her fellow Millennials grew up in a digital age. When Griswold graduated from college, her top job criteria were to "love what I was doing" and have "the skill set required fit my personality," she says.

Griswold, now an account manager at Spunlogic, an interactive marketing and technology agency, is one of an estimated 75 million Millennials. By 2010, this age group will outnumber both baby boomers and GenXers.

So what does this mean for employers who will have a burgeoning body of Millennials on their payroll?

Before HR departments roll out initiatives and programs targeting the newest demographic wave, a soon-to-be-published study by global professional services firm Towers Perrin indicates the things that make Millennials happy and engaged at work are also, give or take a little, what make GenX and Baby Boom-aged employees tick. The successful workplaces will be those, says Ginny Olson, principal, Towers Perrin, that "Take a step back and take a look and ask, 'Who are our employees?'"

"The good news is that if you're doing all the right things [as an employer], you'll minimize the differences," Olson says. "But if you're doing the wrong things, you'll maximize them."

Millennials aren't much different Towers Perrin's 2007-2008 Global Workforce Study is the largest polling study on the views of the global workforce. The firm collected 88,600 responses from employees in 18 countries (42,000 in the United States). The study focused on the drivers of attraction, retention and engagement through the eyes of workers at mid-sized to large companies in a broad range of industries.

One of the study's findings suggests the overall value system of Millennials is not as different from that of GenXers or baby boomers as anecdotes might suggest. There are dozens of articles that emphasize the younger generation's push for work/life balance to be standard in any job. But Olson advises caution about assigning generational labels to expectations. It's true that GenY considers work/life balance paramount. But the study indicates work/life balance is a significant retention driver for every age group. The data show that work/life balance is one of several issues that play out across generations, not just when talking about Millennials.

For example, the No. 1 driver of job attraction is competitive base pay. Each age group – 18 to

24, 25 to 34, 35 to 44 and 45 to 54 – ranked base pay No. 1. Only the 55 or older group did not (this group ranked it No. 2). The top driver of retention-in every age group-was "excellent career advancement opportunities."

For Millennials, "satisfaction with the organization's business decisions" came in second, as it did for a few other age groups. Younger workers ask themselves questions about what the organization does to inspire them to do their best work, Olson says. Most employees, young and old, are willing to put in extra effort for a company they feel better about than one they don't. Overall, Millennials were more interested in how their jobs impact the quality of work. Like other age groups, having a good relationship with their supervisors was important. "I've never felt clueless in my job, but if I ever do, I want people there to help," Griswold says.

Better training Tailoring programs to engage workers early on – better training, good relationships with supervisors, programs making them more effective at work – help raise engagement scores. "It's positive for employers. If they do the right things, they're not going to have to be concerned with generational differences," Olson says. "People want to be engaged by what they do every day."

A separate Towers Perrin one-year global study showed companies with high employee engagement averaged a 19.2- percent increase in operating income, whereas companies with low employee engagement experienced a decline of 32.7 percent in operating income.

"Higher performing companies are able to raise scores considerably in those younger categories," Olson says. These companies tend to bring on board better candidates; have better training; implement more diverse programs to make new hires more efficient at work; and are more willing to tailor programs to make them more effective.

Emory HealthCare listened to its employees when they asked for a blended learning approach – traditional classroom work coupled with online instruction. The organization is automating its electronic medical records and other forms of documentation, and understands this might be an easier transition for the GenYers.

"Our younger workforce is most comfortable with the automation and takes to it quickly," says Peg Bloomquist, chief HR officer. "They also support the more mature employee who may take some more time to learn these automated systems and adjust to the environment."

Mobile Millennials

Multiple reports indicate Millennials are more willing to change jobs than their elders. While the data does show Millennials are more likely to leave an organization than other age groups, Olson doesn't believe it's because they're GenYers. "They have more job opportunities. [They tell themselves] there are opportunities knocking out there. If a company doesn't do things to engage me, I'm going to leave. It has to do with their age and the opportunities they have, not the fact they're 'Millennials.'"

Emory HealthCare does see a 25- percent turnover in the first year, but Bloomquist attributes that to "our younger population," she says. "They move, get married, change jobs quickly for more pay or because the job match is not the best for them."

The Global Workforce Study suggests Millennials are concerned more with impacting the "quality of work/product/service" than their counterparts. As Griswold says, "I like knowing where the company is going and if my role is going to be important to the company."

But this isn't only of interest to younger workers. "Employees want to do things differently and add value to the organization," Olson says. "[Companies have to] think about the type of work they're asking people to do. The different career paths. Different assignments. That crosses generations as well. Almost anyone gets bored."

Millennials also want to work for an organization that encourages innovative thinking, and they'd like their manager to be aware of what motivates them. Innovation is easier to encourage in some industries – like IT – but innovation is not limited to technology companies. "If you can create an entrepreneurial environment, people will flock to that," Olson says. "People want to be in that culture."

Changing communications

How employers communicate with their workforce is changing, clearly influenced by the younger generation and the digital age. Employees like Griswold grew up texting; are more likely to blog than chat by the water cooler; and would rather you drop them an e-mail through their MySpace account than leave a voice mail. "This is how employers are going to have to communicate going forward," Olson says. "They might not prefer it, but they have to think about that."

At Spunlogic, where the majority of the 70-plus workers fall in the GenX category, there are quarterly town meetings where management gives employees updates and employees can ask questions. The company, which has experienced 278 percent growth in three years, also publishes a blog where employees post ideas, give feedback, pose questions and provide the occasional sarcastic – but in good fun – jab at one other. Recent posts include "What Adobe Air Brings to the Table" and "What is Love?" a post inspired by a Valentine's Day conversation.

"We use our blog to engage each other," says Dave Church, Spunlogic's recruitment manager. Church considers the blog an excellent recruitment tool because potential hires – it's published through the firm's Web site – can pick up on the company's culture by reading the postings. Large companies get on board Small companies aren't the only ones finding new ways to engage employees and use technology to communicate with them.

With more than 300,000 employees, AT&T is one of the largest telecommunication companies in the world. The company recently added a "Work With Me" Facebook application (the company uses its employees' Facebook networks to push its jobs), and plans to launch a new

recruiting Web site with animated navigation, employee profile videos and a preview of the company's new products.

"Some 74 percent of U.S. Internet users view video online and we'll tap into that interest to give prospective job candidates a glimpse of what our jobs entail," says Scott Smith, VP of staffing for AT&T. "Our online recruitment strategies are rapidly evolving, and there is no question that we will continue to see increased use of these types of tactics as we, out of necessity, become more creative in how we attract talent."

At Stiefel Laboratories, a privately held dermatology company based in Coral Gables, Fla., with 3,800 employees worldwide and a strong presence in north Atlanta, Mary Cianni, VP of global human resources, meets with employees regularly in what she dubs "listening sessions." What she's hearing is that employees are looking for an understanding of "how they fit into the organization – what role they play, how they're making a difference," she says. "They want to know about the strategic direction of the company and how they fit in."

Cianni says it's not just Millennials who feel that way. She hears that from most of the employees with whom she speaks, many of who fall in the 30- to 40-year-old range.

Opportunities for recognition

Cianni and other HR executives are seeing a growing trend toward employees seeking opportunities to recognize each other. "If someone goes above and beyond, they want an opportunity to acknowledge one another," she says. The company is designing PEAK recognition program as a vehicle for employees to do so.

"It's about being a team player and being held accountable," she says. "There is competition between employees, but it's less around getting to the next position. It's a competition about 'Am I adding value?' 'Am I making a contribution?' It's not just about vying for a title of a promotion."

At Spunlogic, the Employee of the Year Award is given to an employee who is nominated by fellow employees, not by upper management. When new work is completed, an e-mail highlighting those who worked on the project is sent to everyone in the company so that fellow employees know who was behind it.

"GenX and GenY are demanding more feedback on their work and performance than before," Olson says. Upper management needs to be concerned about how it communicates, how it brings employees on board and it monitors and manages its employees' career development.

"The onus is on employers," Olson says, adding it's their job to create a workplace where people have the tools they need to do their jobs, where they feel supported and where they are shown clearly how to do their jobs. And it may be a simple thing, but Olson encourages companies to be more transparent in terms of how they define things. "'Dress casual' means different things to different people," Olson says. If a younger worker shows up in a Radiohead T-shirt, low rise jeans and a pair of flip flops, it doesn't necessarily mean he's being disrespectful. It just means

his closet is more likely to be stocked with DIESEL jeans than Dockers. The good news is that if employers in any industry are able to offer what the majority of employees want – including competitive base pay and work/life balance in an innovative environment – employees of any age are going to stay and work harder because they know they're making an impact. And that's good for employers.

Before she took her first job, Griswold made a pact with herself. "I promised myself I wouldn't work somewhere I hated being," she says. "The minute I hated coming to work every day, that would be it." Griswold's sentiments aren't just that of a new demographic; they are the sentiments of an entire workforce.

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