















BY ROB WORMLEY





























Introduction

Baby Boomers are the largest generation of active workers. Their workplace strengths are, according to <u>Ivey Business Journal</u>, their "organizational memory, optimism, and willingness to work long hours." They grew up working as individuals in large corporations with traditional hierarchies.

But...Baby Boomers are quickly being replaced as that largest generation of workers by Millennials, and the differences are striking.

Instead of management hierarchies, flat management structures are becoming the norm. Instead of the powerful individual, jobs are now teamwork-based. Instead of a lifelong career, job hopping is all the rage. What's going on?

Who are the Millennials?

Millennials are those who were born between 1980 and before 1995 (though this date range is up for debate). They came onto the scene after Generation X, and instead of the unstable home life that many Gen Xers laid claim to, Millennials had parents who focused on giving them structure through planned activities and constant encouragement. They grew up with people concerned that they have high self-esteem, and they are also where you will find your first true digital natives, those individuals who have no memory of what life was like without computers and the internet.

PwC, an international company specializing in accounting, realized that a growing number of younger workers seemed to be motivated differently than previous generations of workers. Out of both curiosity and concern, they <u>commenced a revealing study</u> (along with the University of Southern California and London Business School) in 2013 of these Millennial workers to find out what made them tick, gathering data over two years.

What did they discover after gathering 40,000 responses during that time period?

That there were some work approaches that *were* different from other generations of employees, but surprisingly, the differences were not as drastic as some might think. They discovered that managing Millennials meant understanding a new generation, but it didn't mean you had to throw all previous understandings of employee management out the window.



Millennials have their own opinions on the workforce, mind you. The <u>Deloitte 2015</u> Millennial survey revealed that this generation thought 75% of businesses were more focused on their own goals rather than on helping society (this is important, and we'll talk about this more later). They also felt that they weren't being given a chance to use all of their skills.

So how do you create a workplace where you are able to manage Millennials and see positive results when there seems to be clashing views of how work gets done between the different generations?

Rethink The Word "Manage"

Millennials have been managed their entire life. Play dates, school activities -- from early on, adults in their lives have made sure that their time and focus was used wisely. Perhaps it is this experience with management that makes Millennials difficult to manage: they crave opportunities to make their own decisions instead of having them made for them.

So what's a manager to do? Quite simply, you *lead* Millennials instead of managing them.

Gone are the days of micromanaging how employees work, where they work, what they wear, what they can say, who can approach leadership in the hierarchy, and mind-numbing communication red tape.

Millennials are looking for leaders (both as a leading company in an industry, and leaders within the company) who, according to the <u>Deloitte study</u>, place the most emphasis on employee well-being, growth, and development, instead of controlling the work experience of each employee. They believe, according to that study, that "an organization's treatment of its employees is the most important consideration when deciding if it is a leader." To the Millennial generation, being a good leader means you must:

- Show them respect: Listen to their ideas and complaints, and show that they have value by doing more than giving lip service. Create a process that allows for the consideration and implementation of those ideas. Millennials want to know their voice is heard.
- **Give them attention:** Millennials have been given attention all of their life. Anything that smacks of a lack of attention can be seen as a form of disrespect or



being taken for granted. While they don't want to be micro-managed, they do want their work and efforts to be noticed and lauded if they've done a good job. Unlike previous generations, you generally can't drop a project in their lap and not follow-up through the process for feedback.

- **Don't be a wet blanket.** Millennials grew up in a society and with parents who told them they could do anything. Encourage them instead of being discouraging (even if you think you're being a realist) on their ideas or passion. Help them develop confidence by giving them opportunities to taste true success as well as pick themselves up from failure and try again.
- Talk to them face to face. Millennials are no different from other workers. They want to communicate about their work and possible career advancements in person (96% of them, in fact). While it's tempting to think Millennials prefer digital communication because they grew up with it and are adept at it, they are no different than other generations in preferring in-person communication in these areas.
- Understand the team. We'll talk about his more in a bit, but understand that to Millennials, the team has as much pull, in some cases, as any management. Respect the team, get comfortable working with the team, and focusing on leading and guiding the team instead of reigning from on high and controlling the team.
- Adopt a conversational style. Millennials are going to question leaders and management. This is not out of disrespect. The best response isn't shutting them down or giving orders, but having a conversation. Most of the time Millennials just want more information.
- **Be decisive and strategic.** The <u>Deloitte study</u> revealed that Millennials want leaders who possess strong social skills, but that doesn't mean leaders can be weak in more traditional areas of leadership. Having vision, passion, and being decisive are still valued.
- **Provide structure.** There might be a general sense that Millennials want some kind of free-for-all where they can do what they like when they like, but this is not the case. You still have productivity expectations for the work that has to be done, meeting times, project deadlines -- Millennials understand this. Think of it like a horse race: The track is there, it has rails along the outside and a start and finish



line, but you have no jokey and no bit. Provide the necessary structure, but let Millennials work it to the end without micromanaging.

This point about management is crucial: *Millennials are looking for leaders who care about people*. The very first key to managing Millennials in the workplace is to stop trying to manage them, and instead learn to lead them.

They Want To Know Why, With Feedback

Millennials tend to want to know why.

With other generations of workers, instructing them on what you wanted them to do was enough; they'd do the work without too much fuss. But a Millennial worker generally wants to know *why* you want them to do it.

Knowing what you want them to do must be accompanied with also knowing why it needs to be done. Perhaps this feeds into the need to understand their place in a situation or the need to make sure the work they are doing has value. Millennials don't want to be given busy or meaningless work just to keep them occupied; they want to be sure their work matters in the larger scheme of things. They want to be given work that they feel they "own" and can run with, knowing they are making a difference.

Feedback ties into leadership.

Part of this need to understand the context of the work they are given is a need for more frequent feedback than other generations of workers.

Millennials are a generation that was raised, as mentioned in the beginning, by parents who praised them and were concerned with their self esteem. They still need that encouragement.

Plus, consider the fact that they are digital natives, having grown up with computers and the internet. They are <u>accustomed to instant feedback</u>, according to author Daniel Pink. If they need to find something, the click the search button and get instant feedback. They play video games and get a score on their performance. They send text messages, and receive quick replies.

Millennials are used to feedback, and lots of it. It's how they know they are doing what they are supposed to be doing, and that they are doing it well.



41% of Millennials (compared to 30% of non-Millennials) want to be recognized monthly (or, preferably, more) for the good work that they are doing. If you think positive feedback at a six-month or yearly review is enough, you will have unhappy Millennial workers.

While they like to take projects and run with them, they also want regular feedback during the process. Feedback includes praise and constructive critique, and ties very directly into that idea that you need to lead instead of manage Millennial workers.

The key to feedback, especially the constructive critique variety, is to take on the role of a coach (who inspires and encourages) instead of a taskmaster (who controls and corrects) with your Millennial workers.

You can encourage and recognize their good work by monthly one-on-one meetings with employees where you let them voice concerns and talk about their work. You can reward your team (or even teams within teams) for a job well done by having a surprise pizza lunch at the office. Whatever you decide to do, be sure your encouragement is genuine and that any critique you offer also has a dose of encouragement with it.

Still Individuals, But Working In Teams

Part of the workplace culture that Millennials desire is making it team-oriented.

It might seem contradictory, but there is a tendency for Millennials to want to maintain a strong sense of individuality while still preferring to work in groups and teams. They want to be a unique individual but also be part of a group (i.e. they matter as a single person, and they are part of a larger movement doing work that matters).

Keep in mind, though, that this is a generalization. Not every person, no matter what generation they are from, likes to work in groups. Personalities will vary and will play a strong role in what your employees preferences are.

Because you can't create a blanket approach to honor all of your employees' preferences, though, consider a mixed approach. Be flexible if employees want to partner up and work in teams. Respect those who would prefer to work alone and bring a final product to the team, and find a project where that would work well. Though more challenging, it's possible to harness the strengths of individual workers as well as teams.



The Divide Between Work And Personal Life

Millennials seem to blur the divide between work and personal life. Where previous generations were willing to dedicate significant time to work, then go home and live a private and separate life away from coworkers once they were off the clock, Millennials take a slightly different approach.

First, Millennials often mix personal life with work life. Millennials want to socialize and do things with their coworkers, so creating planned and regular activities in the workplace (or after hours) might fit nicely into this generational trait. They also <u>talk</u> <u>about their personal lives with their team members</u>, and may expect to talk about personal aspects of life with managers. While you don't want to be invasive, expressing both a genuine interest and concern in the personal lives of your Millennial employees shows you care about them.

So yes -- Millennials bring their personal life into their work.

However, the <u>PwC study</u> revealed that 71% of Millennial employees (compared to 63% of non-Millennial employees) said that work demands interfering with their personal lives was not acceptable. So in that sense, Millennials don't want their work life to invade their personal life.

Millennials are not as easily convinced that they ought to give up their personal freedom and interests for the job, which is quite different from previous generations. In fact, 15% of male Millennial employees and 21% of female Millennial employees would be willing to take reduced pay and even slow down or lose promotional opportunities if it meant they could work fewer hours. Millennials are not as sold on the idea that the rat race of work is more important that a robust personal life full of exploration and experiences.

So what's the takeaway from seemingly conflicted approaches to the work/life divide?

Remember this crucial aspect of Millennials: *They want to feel like their life is making a difference*. It's not a contradiction when you remember that Millennials want, more than anything, to live a fulfilled life. Being personal at work is different than bringing work home and letting it invade personal time.

When it comes to work life and personal life, creating a work environment that isn't an "exclusive" priority is the key, allowing them to blur personal life with work life. If you demand exclusive access to large chunks of their life, Millennials will most likely leave



and find a new place of work. By providing a mix of socialization at work as well as giving Millennials more free time, flexible vacations, the option in pay reduction for reduced hours, sabbaticals, and other benefits that allow them that personal exploration of interests, you'll create an ideally balanced environment. You give them the chance to find that work/personal mix that they want on an individual level.

Flexibility In What Work Is And How It Is Done

Connected to the idea that Millennials blur work and personal life is their preferred approach to being flexible with how work actually happens.

With past generations, work was a bit more standard. Employees came to work, worked for X hours a day, five or six days a week, and then went home. With Millennials, who are seeking an overall life balance, you'll need to provide more flexibility in what their work looks like.

<u>Consider this</u>: 64% of workers would like to occasionally work from home, while 66% would like to adjust their work hours. Notice something important in that statement. This study data refers not just to Millennials, but to employees in general.

Perhaps managers and companies have been missing the boat on this one, but workers from many generations would like more flexibility in how and where they do their work. One key difference between the generations on this aspect, however, is that Millennials view this desire for flexibility in a peculiar way. They do not see productivity as something you can measure by how many hours a person is working in the office, but instead, by what a person actually does. According to the PwC survey (page 8), Millennials "view work as a 'thing' and not a 'place'."

So what does adding flexibility look like? It means considering:

- Where they work. While you may prefer to have your team in the office for continuity and a sense of cohesion, consider allowing your Millennial employees to work from home on certain days, or set days when you want everyone in the office and let the rest be flexible.
- When they work. Part of introducing flexibility into how Millennials work is allowing them to work from home at times, or set their own hours (6 am to 2 pm, for example). Obviously, each company will vary on if this will work, but if it's possible and won't affect customers service or production, consider allowing it.



- What they do. Millennials have a broad skillset, and want it to be used. The Deloitte survey discovered that only 28% of Millennials feel like their employer is making use of their full skillset. Gone are the days where a job is one singular task; find ways to make each employee's job description cover a broad range of skills. Each employee should be able to exercise leadership, communication, and creativity in whatever they do.
- The tools they use. Millennials are digital natives, and are comfortable using a broad range of technology. In fact, they are more than comfortable -- technology is second nature to them. While you probably have tools and systems that your employees have to use, consider some flexibility in tools that aren't part of this category. Does everyone have to use the same mobile phone? Apps? Browser? Millennials want to express individuality, and they sometimes do this through the tech they use. Find a way to make that work.
- Startup culture. While not every Millennial worker is going to work for a startup, the ideology of startup culture has permeated their understanding of what the workplace ought to be. While you don't have to tear down your cubicle walls and put in ping pong tables in order to manage Millennial workers, remember that a key component in startup culture is a less traditional hierarchy when it comes to management. Workers move up a short ladder quickly, being rewarded for ability (a "meritocracy") and having access to management more frequently.
- Workplace culture. In general, whether you mimic startup culture or not, Millennials place a high value on the culture they find at work. For this generation, it is as much an expected "benefit" as health insurance or other benefits previous generations were used to. Part of a general expectation is a sense of transparency, celebrated individuality, a freedom to provide input and be heard, and an openness to diversity.

Any business with workers from several generations knows that flexibility is important to getting along and being productive. The only difference with the Millennial generation, perhaps, is that technology has made it possible to vastly expand what level of flexibility to can offer *all* of your employees. In the essentials, they are not that different from other generations of workers in this area.



A Different Approach To Longevity

"The Millennial Generation has learned to be two things during the recession: resilient and nomadic. As the job market improves, the level of confidence will improve along with it and cause many in this age group to reevaluate their current situation, possibly seeing value in seeking greener pastures."

- Rich Milgram, Founder and CEO of Beyond.com—The Career Network

Milgram is correct; Millennials see great value in greener pastures, beyond mere dollar signs.

It's time to do away with the standard HR approach that says you need to screen out "<u>chronic job hoppers</u>." If you don't, you'll soon have a very small hiring pool to choose from. Millennials change jobs. A lot.

It is not a mere stereotype to say that Millennials don't stay with a job as long as past generations. According to the PwC study, 38% of Millennials do not expect to stay at a job for more than nine years. In practice, most Millennials stay at a job less than three years. This job-hopping stereotype is not a myth.

Unlike previous generations, where a job was for life and you could possibly expect a pension for doing as much, Millennials know that they don't have that safety net as a reward for sticking with a job long-term. They know they live in a society where tech is making inroads into the workplace, replacing workers, and that life-long jobs are no longer a guarantee.

Why do Millennials leave and change jobs so frequently?

Studies show that Millennials tend to leave a job when they feel they aren't appreciated or that their employers are not willing to be flexible so that they can enjoy their life. Non-millennials, however, tend to leave a job if they feel they aren't receiving competitive pay or that they have no opportunity to advance their career.

That's a generalization, of course. Millennials still leave a job and take another for many of the same reasons as other generations (pay increase, life changes, conflicts at work, etc.), but much of it also stems from the idea of those perceived benefits -- flexibly work location and schedule, workplace culture -- or the lack thereof. It's not unheard of that Millennials will take a job with less pay if these non-financial benefits are available,



because to them, the value of the quality of life is as important as the paycheck. Job hopping, for whatever else its worth, can lead to a sense of job fulfillment; it leads to new experiences, changes in geography, and a sense of building a wide range of skills.

It's important to understand job hopping in this manner, rather than as a form of continual quitting. Millennials see their life as a constantly evolving entity; they want to constantly learn and experience new things to add to the "collection" of their life. Sitting in the same office for 30 years is not appealing in that regard, and so after a while, they naturally start looking for something new to feed that hungry curiosity machine.

Retaining Millennial workers longer.

The cost of retaining workers isn't low, though it beats the cost of losing them. Consider that, according to one survey, 51% of business responded by saying that the most expensive thing about Millennials is training and development. If you pour all of your money into the front end only to have that employee leave, retention becomes an issue for your bottom line as much as anything. That same study found that 71% of businesses said losing Millennial employees greatly increased the stress and workload that other employees felt. In this case, retention becomes a workplace cultural issue, too. Clearly there is incentive to hang onto your Millennial employees as long as you can.

Keeping your Millennial workers employed with you means forming an emotional connection between them and your company. Millennial employees most often say, if asked why they stayed with a company, that it was a "good cultural fit." What does that mean? It means that you must:

- Balance their workload. Fix any work/life imbalance they are having. Pay attention to it, and listen for it when you talk to them.
- **Provide development opportunities.** Give them a chance to learn and grow in their career. Help them see their work as meaningful, and part of a larger, noble purpose. Keep them updated on education and promotion opportunities. Provide free training or learning allowances. The <u>Deloitte study</u> revealed that most Millennials felt they lacked the necessary skills and experience when they graduated from college. It's important to offer opportunities to fill this perceived gap if you want your employees to have confidence in themselves.



- Form positive partnerships. Create teams and partnerships amongst your Millennial workers that are positive, and head off any team conflict as soon as you spot it. Help them connect with others in your company and develop friendships and loyalties in the work that they are doing.
- **Be transparent.** Part of direct communication means being transparent about what kinds of opportunities and compensation employees receive. Make it clear and simple, and show them what opportunities they have to advance their career. Nothing should be shrouded in mystery or corporate-speak that is meant to obfuscate and confuse decisions.
- Internal hiring and role switching. 37% of Millennials like know that internal hiring is part of the policy. Knowing that they work for a company that hires internally is a positive for Millennials. It seems to reward "the team", and fits into their ideology of how important the team is. Consider offering them the opportunity to switch roles in a company, like Facebook does. Instead of losing the employee to another company, allow them to switch roles and jobs within the company. It gives them a chance to learn new skills and get a new experience while you retain them on the payroll. Benefit for you? You'll be building a great set of future managers who know and understand the inner workers of many parts of your company. That fits in nicely with an internal hiring and promotional policy.
- Connect to the world. Remember that Deloitte survey we mentioned? Millennials are a generation that want to make the world better -- it's part of knowing that their life matters. They want to work for a company that they believe is behaving ethically, and in line with what they think is important. Find ways that they can do this through work, whether through charitable giving, paid leave to help out with charitable work, or a mission statement that focuses on doing good in a tangible way. Tell and show Millennial workers how you are just as concerned for society as you are about your company's bottom line. Recycle, go organic, donate time and materials -- whatever fits your industry. Your company brand should easily elicit a connection to something good. Millennials want to work for a company known for doing good.
- Competitive benefits. Offer both competitive pay and benefits for your employees. Benefits include the usual (health insurance, sick leave), but might also include flexibility in work, sabbaticals, learning allowances, open-ended vacation time,



travel to other offices around the country or world, mid-career "internships", mentorships, free gym memberships, and so on. While <u>81% of Millennials</u> still find the "traditional" benefits extremely important when choosing a job (such benefits can indicate a stable company), the extra benefits will help keep them.

While you can't keep your Millennials forever, you can hold onto them longer (and attract new workers) by offering the culture and opportunities that they crave. Remember, changing jobs frequently isn't a sign that Millennials aren't motivated. The <u>Deloitte</u> <u>survey</u> found that 53% of Millennials wanted to become a leader or senior executive within their current organization. Millennials are as motivated and driven as any other generation; they just take a different approach. Variety of experience is seen as more valuable than a continued same experience.

There Are Always Exceptions

Unfortunately, Millennial workers have gotten a bad rap lately.

The stereotype that Millennials prefer digital lives, or that they expect their employer to provide everything for them, are among the more prevalent. Millennial workers are often said to be less committed to their work, a key myth that can lead to management clashes. These stereotypes are false. Though Millennials approach work *differently* than other generations, they are no less committed to getting the job done, and do not expect everything handed to them by employers.

Remember, these are generalizations for a large generation of people -- you will always find exceptions to these rules. Not every Millennial will adhere to these preferences because not every Millennial has had the same life experiences. Still, you will notice flavors of these characteristics running through your Millennial workers.

When in doubt, keep in mind three things:

- Lead, not manage.
- Pay attention to, and care about, the individual.
- Foster a sense of belonging to a team doing something great.
- Create a sense of purpose that will better society.
- Be sincere about adding genuine meaning to life.



Millennials are positive-thinking with an entrepreneurial and hard-working spirit who want their lives to matter, believing they can change the world. They are a fantastic addition to your team, and, perhaps more importantly, a huge workforce that you will continue to rely on heavily in the future.

