A dramatic shift is under way in the workplace: Sometime in the next few years, without fanfare, millennials, that generation of workers born after 1981, will surpass baby boomers as the largest segment of U.S. employees. By 2025, millennials will make up as much as 75 percent of the U.S. workforce. Eighty-three million strong, millennials have already surpassed Gen Xers, the group born between 1966 and 1980, and their presence in the global workforce has had a powerful impact on organizational dynamics. With multiple generations now filling the corporate ranks, the ability to manage and engage these diverse cohorts will, in many cases, be a key determinant of the winners and losers in the battle to find and retain the best and brightest talent.

Each generation is defined by a set of stereotypes that emerge from some clear truths. Millennials in particular are saddled with a raft of traits, both good and bad, that have framed the discussion. They are the most-educated generation, the most technically savvy and the most socially conscious. Like the baby boomers, they are considered self-centered—but they differ in several notable ways: They are impatient, for example, and in need of constant feedback and hand-holding, residue from being raised by overly protective parents. The knock on millennials is that they will abandon jobs quickly if their needs are not met. Nearly all millennials who graduated from college did so in troubled economic times and have faced tough obstacles. Many are saddled...
with heavy college debt—in 2015, student debt surpassed the $1-trillion mark in the U.S.—and have had difficulty finding entry-level jobs.

But there is disagreement among the experts over how much the generational differences matter in terms of employee engagement.

One camp says that despite the disparities in age, experience and outlook, when it comes to engagement, these three generations tend to value the same things.

Molly Delaney, a consultant with Hay Group’s Global Insight practice in Chicago, oversaw a recent research study of a cross-section of multigenerational employees in order to identify what motivates and engages people, based on age. She expected to find clear disparities between the generations. But when Hay Group analyzed its study, the results defied conventional wisdom.

“What took us by surprise is that in terms of what really drives employee engagement and job satisfaction, we’re not seeing a great deal of differences across generational groups,” Delaney said. “All of the groups are driven by well-run, well-managed organizations that demonstrate care and concern for their employees. The employees want access to resources and authority to make decisions that impact their work—and we don’t see that changing across generational groups.”

Hay Group findings were supported by a recent multigenerational survey at Dell Inc., the personal computer giant based in Austin, Tex. According to Prema Ratnasingam, a talent
management consultant at Dell, the survey went out to half of the company’s nearly 100,000 employees around the world.

Expecting to see stark intergenerational differences about career goals, training needs, work/life issues, and more, “we found more similarities than differences,” Ratanasingam said. “The key takeaway was that the assumptions about millennials are largely myths. Where there are differences, it was intuitively more a function of the stage of life millennials are in. Because we are a global company and 40 percent of our workforce is in Asia, we found there are more regional differences worthy of attention than generational.”

Unsettling experiences as 9/11, Columbine, the Enron scandal, Hurricane Katrina and the Oklahoma City bombing.

“These disasters left an indelible mark on millennials,” the report stated, “but nothing shaped and defined this generation more than the Internet and the World Wide Web, which opened a whole new world of opportunities.”

These “digital natives” are technology savvy in ways previous generations can’t match. Such digital fluency may be a factor in workplace conflict between millennials and baby boomers, according to the report. “Baby boomers were raised in hierarchical workplace environments where the flow of information was severely constrained and the development of personal relationships were the routes to moving up the ladder,” the report said. “Millennials, who expect information immediately and who communicate through text messages, want nothing to do with that hierarchy and reject traditional top-down communication.”

Benson Rosen, emeritus professor of organizational behavior at Kenan-Flagler, believes that organizations seeking to be the employer of choice need to carefully consider strategies for attracting millennials, who tend, he said, to be wired differently about what engages them at work.

Whether or not the generations are hard-wired in different ways, the consensus view of the experts is that engaging all of the cohorts is critically important at a time of great demographic change. And woe to the organization, they say, that doesn’t pay enough attention to the differences among the groups that all agree exist.

According to a recent study by the Chartered Institute of Personnel and Development (CIPD), less than one-third of organizations report having an HR strategy in place for managing their aging workforce. With the accelerating retirement of millions of baby boomers and organizational dynamics in flux, the CIPD report predicted that “organizations that lack an effective strategy to address intergenerational challenges and focus on generation-specific needs may find themselves at a competitive disadvantage, mired in conflict and missing valuable opportunities.”

Increasingly, those opportunities tend to revolve around millennials, and figuring out what they need that is indeed different.

“Millennials are very concerned about being able to leverage the full potential of technology,” Rosen said. “They see many jobs where people can set their own hours and workplace, can do the job effectively from home or come in later and stay later. An organization that allows them to build their own schedules is very attractive to them.”

Writing in the Harvard Business Review, Rosen noted that millennials are indeed a unique breed in the workplace and require significant attention. The millennial generation is characterized by certain life experiences that ought to be considered when plotting management strategy, these experts say, especially given the group’s growing influence in the workplace.

A 2014 report called “Managing the Multigenerational Workplace,” from the Kenan-Flagler Business School at the University of North Carolina, notes that millennials came of age during such
ness Review in 2010, Jeanne C. Meister and Karie Willyerd noted that “millennials view work as a key part of life, not a separate activity that needs to be ‘balanced’ by it. For that reason, they place a strong emphasis on finding work that’s personally fulfilling. That sense of purpose is a key factor in their job satisfaction; according to our research, they’re the most socially conscious generation since the 1960s.”

Unlike their individualistic baby boomer parents, millennials were raised under close parental supervision with childhood schedules filled with play dates, piano lessons, art classes, specialized summer camps and myriad other activities aimed at building an impressive college application. This is the generation that received trophies for simply participating, and its members have closer parental ties than any before them.

To that end, some companies have concluded that in order to attract millennials, they need to sell the company not only to the job candidates but to their parents. In this way, parents of millennials are bringing their helicopter parenting habits to their children’s careers.

A Michigan State University survey of more than 700 employers seeking to hire recent college graduates revealed that nearly one-third said that parents had submitted résumés on their child’s behalf, some without even informing the child. A quarter reported hearing from parents urging the employer to hire their son or daughter for a position and 4 percent said that a parent actually showed up for the candidate’s job interview.

Parents are “an influencer,” said Marie Artim, vice president of talent acquisition for Enterprise car rental company, in a report that was broadcast on NPR. “So if they feel more comfortable that it’s a solid, stable, growing company with a lot of opportunities, and good culture and people who care, they’re going to feel better about encouraging their son or daughter to consider it.”

Companies such as Google and LinkedIn have initiated “Bring Your Parents to Work” days and have encouraged the parents of their younger workers to get involved with their offspring’s careers. When Google hosted the event in May 2014, 2,000 parents arrived at its Mountain View, Calif., headquarters. In a 2013 study by PwC of parental involvement in the lives of young workers, a survey of 44,000 recent college graduates in 20 countries revealed that a global average of 13 percent, and in some countries 30 percent, wanted their parents to receive a copy of their job-offer letters.

Companies would do well to embrace this inherent desire to overachieve, said Meister and Willyerd. “They’re used to overachieving academically and to making strong personal commitments to community service,” they wrote. “Keep them engaged, and they will be happy to overachieve for you.”

THE WORKPLACE IS CHANGING

- Baby Boomers are set to retire in large numbers:
  In 10 years, the median age of a boomer will be 70 years old.

- Gen X will move into leadership vacuum caused by boomer retirement ... but there aren’t enough Gen Xers to do the job.

- Millennials will be critical to filling upcoming leadership and talent gaps.

Hay Group / Pew Research Center
CROSSING THE GENERATIONAL DIVIDE

At the companies that are the most focused on the engagement issue, the effort pays off with cross-pollination among the generations.

At Kimberly-Clark, the consumer products multinational based in Irving, Tex., senior leadership was concerned that it didn’t have a global perspective on its top talent. To remedy that, the company instituted a reverse mentoring program in which millennials were teamed up with senior executives to help them understand what would best engage their younger employees.

At Facebook, a company heavily laden with millennial employees, the negative stereotypes are often turned on their heads. Employee surveys over the past seven years have revealed that “millennials’ wants and needs are strikingly similar to those of colleagues from different generations,” Lori Goler, Facebook’s Head of People, wrote in a 2015 Harvard Business Review article, essentially echoing the conclusion of the Hay Group study. “Millennials want to do meaningful work and be part of something that will have a positive impact on the world. Some might characterize this attitude as demanding and self-centered—asking too much from a job. But our data indicates that at Facebook—and probably many other organizations—people of all generations have begun to redefine fulfillment in this way.”

According to Hay Group, the best way for senior leaders to engage employees across generations is to take key steps for managing an age-diverse workforce:

- Be intentional in your approach to leadership to get greater productivity and better results.
- Determine which rewards are most valuable to different employee groups and then give managers the tools to offer those rewards.
- Support the needs of different generations through flexible work arrangements.
- Foster intergenerational teaming and learning.
- Identify your most critical roles and skills gaps, and ensure you have succession plans in place.

The Hay Group study noted that millennials are well positioned to take over leadership roles. Because of the 2008 recession, many baby boomers delayed their retirement. That left Gen Xers and millennials stuck in the pipeline. But the number of retiring baby boomers has been growing lately and Gen Xers are increasingly filling their leadership roles. Because of that generation’s smaller size, however, “there simply aren’t enough of them to do the jobs,” Molly Delaney said, “and this means millennials are fast-tracking into these high-level roles far more quickly than we expected.”

With so much at stake, companies must “be far more intentional about developing millennials to be future leaders,” Delaney added. “We need to do a better job of giving them both breadth and depth of experience in the short time that they are in junior positions.”

In the quest for higher levels of engagement across the organization, the key is leveraging the full capacity of the multigenerational workforce rather than segmenting it based on age affiliation, according to Delaney. The best method for doing this, she said, is a formalized mentorship program in which junior employees are paired with more senior colleagues “for symbiotic mutual benefit.”

A focused approach to managing the multigenerational workforce can reap tangible rewards, according to a report from AARP on “Leading a Multigenerational Workforce.” If both employers and employees are educated about generational issues, there is likely to be heightened inclusiveness, respect and productivity. In addition, a company can expect to see these other benefits:

**Improved competitiveness.**
Education about these issues reduces age discrimination and minimizes the organizational “brain drain” as older generations leave the workplace.

**More effective recruitment.**
Recruiting messages specifically tailored to each generation will attract talent across the generations.

**Higher rates of engagement and retention.**
Managers who know how to motivate employees from different generations will improve their engagement and retention.

In the end, Hay Group’s Delaney believes that most companies are trying to answer the wrong question.

“They ask, ‘What makes millennials different?’ It’s an important question but it misses the mark,” she said. “Instead, we think the better question is, ‘What engages and satisfies employees at all levels of the organization, regardless of their generational group?’”