

ATTITUDE? WHAT ATTITUDE?

THE EVIDENCE BEHIND THE WORK ATTITUDES OF MILLENNIALS



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Are the millennials responsible, dedicated and loyal enough to help your business thrive? As they move up through the ranks, will they be prepared to manage and lead as your business grows? If you listen to the media and a long line of authors, experts and business consultants, you certainly might not think so. The standard rub against the millennials—or Generation Y as they are also known—is that they lack street-savvy, they need to be coddled, they're naïve and have a profound sense of entitlement. We worry that their college educations did almost nothing to prepare them for life in the real world. Born between approximately 1982 and 2003, there are more than 80 million millennials in the U.S. alone. Many of them are already in the workforce, and the rest are on the verge of entering it. If this new tide of employees and their different ways of looking at the world weren't enough to contend with, they're arriving just as the baby boomers are getting ready to retire. No wonder so many managers, HR professionals and executives are nervous.

While this scenario makes for a good news story, it turns out much of the fear about the millennials is misplaced. In this paper we'll examine the anxiety around the millennials, we'll look at the research behind it, and finally, we'll explore the exhaustive Kenexa® High Performance Institute WorkTrends™ survey for some real answers about what employers can expect when it comes to managing the millennials.

BEWARE THE MILLENNIALS!

“Stand back all bosses!” Morley Safer warned in a “60 Minutes” segment titled “The Millennials Are Coming.” Imbued with a high sense of drama, Safer went on to tell his viewers that millennials “were raised by doting parents who told them they are special, played in little leagues with no winners or losers, or all winners. They are laden with trophies just for participating and they think your business-as-usual ethic is for the birds.” It made for juicy news copy, typical of the prevailing view of the millennial generation, but is it really accurate?

Today there is a cottage industry that has sprung up around millennial management. On the business book rack today, you can find titles like “Y in the Workplace: Managing the ‘Me First’ Generation,” and “Not Everyone Gets a Trophy: How to Manage Generation Y.” In an interview on PBS, Stan Smith of Deloitte and Touche USA liberally stereotyped generations at work when he said, “I put it this way. The baby boomers are ‘work, work, work.’ It’s a very important part of their lives. Gen X is ‘work, work, I want to work some more, let’s talk about it.’ And millennials is ‘work, work, you want me to work even more? How lame. I think I’ll I.M. my friends and tell them how lame you are, asking me to work even more.’”

In his interview, Smith went on to say that the millennials will change the way organizations are run. Companies will need to have flexible schedules and management will only be able to ask the millennials to do personally fulfilling jobs. While the workplace of today will undeniably evolve to accommodate changing technology and demands, as it always does, that isn't necessarily a bad thing. Our research indicates the millennials often stand on common ground with their older counterparts, and in some key areas, the research suggests that the millennials may even turn out to be better employees and, eventually, better employers than their predecessors.

ABOUT KHPI

The Kenexa High Performance Institute (KHPI) features a multidisciplinary team of highly qualified professionals with offices in London and Minneapolis. Executive directors, Dr. Tony Cockerill and Dr. Jack Wiley, oversee rigorous, global and innovative research and development programs, spanning all aspects of human capital management. KHPI produces books, academic papers for top journals and practitioner articles. For more information, visit www.khpi.com.

WHAT DO THE DATA REALLY SAY ABOUT MILLENNIALS?

Upstart generations and their sometimes brash attitudes and behaviors have long been a cause for consternation among older generations—the feeling is usually mutual. The phenomenon is as cyclical as it is predictable. While the sound bites proclaiming the differences between the millennials are voluminous, scientific research is scarce. Previous research examining generational effects on things like work attitudes, work values and personality has largely been unable to distinguish between whether the differences were based on a particular generation's complaints, or more universal concerns reflected by all generations at the same stages in their life and career. In short, although research to date has shed some light, we still are not sure if millennials are any different than any other generation when they were young.

Even though many of these earlier studies examining generational strife in the workplace had limitations—often inadequate sample, both in composition and size—each bit of research is a small piece of the puzzle. We'd be remiss if we didn't point out some of the most significant differences that were found:

- People of younger generations look to and blame external events more so than internal events for things that happen to them¹
- Millennials are significantly more achievement and affiliation oriented. Boomers tend to be more optimistic and are motivated by power and progress²
- Millennials are significantly more motivated by status and freedom related work values, and intend to leave their organization in greater numbers than Generation X and baby boomers³
- Millennials are higher in individualism, which can contribute to a higher level of acceptance of others regardless of race or class, but can also lead to narcissism and a sense of entitlement⁴

These issues speak to retention, learning and motivation, which are all serious concerns for management and HR professionals, yet, in our research, the unique perspective of each generation accounted for only one to two percent of the reason why older and younger employees have different work attitudes. This is hardly earth-shattering news that would justify a paradigm-shifting HR campaign targeted exclusively to millennials. Given the limited availability of solid research, we decided to delve into our own database to see what we could uncover about millennials in the workplace.

WHAT DO THE MILLENNIALS LOOK LIKE? A LOT LIKE YOUR OTHER EMPLOYEES

The Kenexa High Performance Institute (KHPI) is in a unique position to report on generational work attitudes through our WorkTrends data. WorkTrends is an annual international survey of people who work full-time in organizations with more than 100 employees. In 2011, the survey included more than 30,000 people across the working-age spectrum, in 28 of the world's most powerful economies including Canada, China, Brazil, France, Germany, India, Italy, Japan, Russia, Spain, the United Kingdom and the United States—these economies alone account for 71 percent of the world's gross domestic product (GDP).

For this particular study, we reached all the way back to 1984, using the data to check for true generational differences; the way generations felt at the same age, when in the same stage of their career. A generation's unique perspective is formed when a group of people experience historical events in a similar way because of their age at the time.

This shared experience creates an imprint that brands them as a certain generation; for the “silent” generation, it was the experience of World War II and for the millennials in the U.S., the World Trade Center attacks may be a defining event. In this research, we can tell if the differences between millennials and older generations are the result of their shared mindset and perceptions on the world or if their attitudes are simply a function of their newness to their career or their youth. Put another way, using this research we can tell if there were differences between millennials, Generation X (born 1961-1981), and baby boomers (born 1943-1960) based on generational, not age-related, differences. This distinction is important: If differences are a new phenomenon, HR practitioners and managers will likely need new strategies in managing millennials, but if differences are based on youth, then tried-and-true HR practices can be employed.

To get started, we characterized the typical complaints about millennials:

- They feel entitled when it comes to their job—if they don't like their work or variety of opportunities, they'll leave
- They demand a sense of fulfillment and personal accomplishment at work, and have little tolerance for more entry-level or menial tasks
- They expect to be rewarded and praised for every small accomplishment

¹Twenge, J. M. & Campbell, S. T. (2008). *Generational differences in psychological traits and their impact on the workplace*. *Journal of Managerial Psychology*, 29 (8), 862-877

²Wong, M., Gardiner, E., Lang, W. & Coulon, L. (2008). *Generational differences in personality and motivation: Do they exist and what are the implications for the workplace?* *Journal of Managerial Psychology*, 29 (8) 878-890.

³Cennamo, L., & Gardner, D. (2008). *Generational differences in work values, outcomes, and person-organization fit*. *Journal of Managerial Psychology*, 29 (8), 891-906

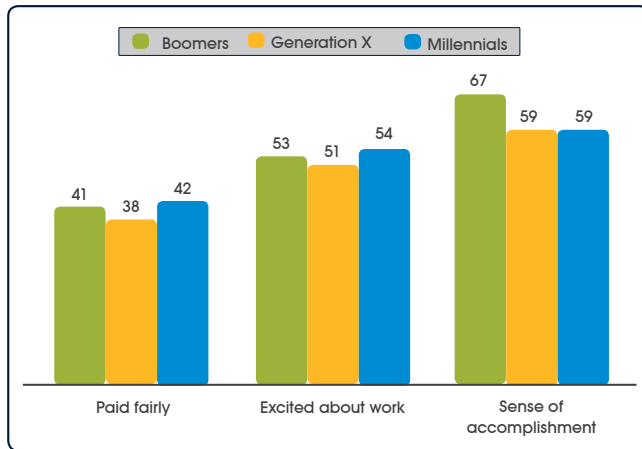
⁴Twenge, J. M. (2010). *A review of empirical evidence on generational differences in work attitudes*. *Journal of Business and Psychology*, 25, 201-210

- They are comfortable with change, and have few qualms or concerns about job hopping
- They are rarely satisfied

These descriptions paint an unflattering picture of millennials at work. It suggests they are a collective group of malcontents; not paid enough, and ready to leave at a moment's notice. To test these millennial stereotypes, we measured the attitudes of employees across the generational spectrum by surveying how favorably they felt about the following statements:

- I am paid fairly for the work I do
- My organization provides me with the opportunity for growth and development
- I get excited about my work
- My work gives me a feeling of personal accomplishment
- I am satisfied with the recognition I get for the work I do
- Overall, I am extremely satisfied with my organization as a place to work
- How do you rate your company in providing job security for people like yourself?
- I am seriously considering leaving my organization within the next 12 months

FIGURE 1: MILLENNIALS SIMILAR TO GENERATION X



By tracking more than 25 years of opinions through the WorkTrends study, we actually find that this picture is false. Millennials are, in fact, much like their older counterparts (see Figure 1). When it comes to pay, 42 percent of millennials say they are paid fairly, compared to 41 percent for boomers and 38 percent for Generation X. That means that more than half of millennials are unhappy with their pay, and while that's an area for improvement, it's also on par with their older peers.

When we look at the questions revolving around excitement at work, the results are similar with just more than half of employees from all three generations being satisfied. What about a sense of accomplishment? In this area, the baby boomers outscore both the millennials and Generation X, by eight percentage points. This difference is not due to a generational trait, but is more likely dependent on career stage. The reality is that millennials generationally-speaking are pretty much like their coworkers in these areas.

One statistic that managers and human resource executives should take note of, however, is that a full third of millennials working today are considering leaving their current job in search of better opportunities. Generation X is almost as antsy, with 27 percent considering a job jump, while only 19 percent of baby boomers are considering leaving. While this is an area for managers to address, it's important to realize that this is likely to be an age issue and not a generational issue unique to millennials.

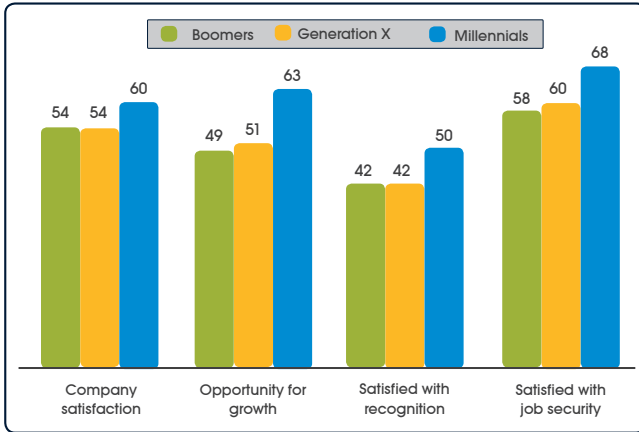
When we went back to our survey results from 1990 we found that 31 percent of 27 year-old Generation X'ers were considering leaving their organization. Almost two decades later, in 2009, we found that 31 percent of 27 year-old millennials were also considering leaving. Life is full of opportunities for young employees and they aren't afraid to explore them. When it comes to the workplace, past truly is prologue and the next generation to come along will likely be very much like their predecessors.

MILLENNIAL POSITIVITY

The data refutes the “millennial malcontent” stereotype, but there is one area where millennials stand apart from their older colleagues and that is in terms of workplace positivity. Millennials' attitudes are more positive than Gen Xers' or boomers' (see Figure 2). In fact, 60 percent agree that they are extremely satisfied with their organization as a place to work. Even more—63 percent—report that they have opportunity for growth and development at their company.

We also examined how millennials and their colleagues feel about being recognized for a job well done. Despite the cliché about needing trophies just for participating, millennials are more positive about recognition than their coworkers. Half of millennials are satisfied with the recognition they personally receive, as opposed to 42 percent for boomers. Finally, as the recession recedes, millennials are more satisfied than their counterparts with the job security that their organization provides for “employees like them.” Taken together, these areas of generational differences can serve as leading indicators for millennials' loyalty, motivation and productivity.

FIGURE 2: MILLENNIALS' POSITIVITY



That's not to say that younger workers, whether the hippies of the sixties or millennials today, are devoid of characteristics typical of youth, such as periods of angst or optimism. The good news is that organizations have seen many of these attitudes before and can, in most cases, use time tested practices in managing younger workers.

SUMMARY: LESSONS FOR MANAGING THE MILLENNIALS

Books are being written and stories are being told about the vast differences between millennials and their generational predecessors. Yet, when it comes to the workplace, the differences are shockingly slight. How can we explain the disconnect? It's possible that HR professionals and managers are adapting to their new charges, and creating programs that incorporate millennials' views into the workplace. After all, millennial employees also rate their managers higher than either of their generational counterparts.

We should also take heart in knowing that millennials are more positive about key aspects of work than their predecessors. HR professionals and managers should find a huge opportunity in capitalizing on their positive outlooks. That said, there will always be dissatisfied workers, and younger workers do seem more intent on leaving their company. Encouraging millennials' optimism while attending to attrition is HR's balance to strike. ■

ABOUT KENEXA

Kenexa provides business solutions for human resources. We help global organizations multiply business success by identifying the best individuals for every job and fostering optimal work environments for every organization. For more than 20 years, Kenexa has studied human behavior and team dynamics in the workplace, and has developed the software solutions, business processes and expert consulting that help organizations impact positive business outcomes through HR. Kenexa is the only company that offers a comprehensive suite of unified products and services that support the entire employee lifecycle from pre-hire to exit.

