



A New Generation Arrives at Work: How Millennials Are Impacting the Workplace

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A tsunami of change is hitting today's workplace in the form of a new generation of workers. The initial wave of this large demographic cohort, born between 1980 and 2001, referred to as Millennials (Howe & Strauss, 2000) Net Generation (Tapscott, 1998), and Gen Y enters the workplace with very different values, attitudes, and expectations. The anticipated massive baby boomer retirements and the small size of the previous Generation X cohort have led to rigorous competition for recruiting and retaining the best and brightest of these twenty-somethings. Organizations also are trying to figure out how best to manage and motivate these new workers. These new people-related business issues offer challenges and opportunities for psychologists consulting to organizations or serving in management roles.

Understanding Millennial Workers

Millennials are the "trophy kids" (Alsop, 2008) pampered by their parents, who received awards just for participating, had their days filled with extracurricular activities, and constantly were told they could do anything and be anything. They are the true "digital citizens" of the world and masterful multi-taskers. The web has been their personal research library since childhood where at the tap of a finger they gain instant access to vast arrays of information and entertainment. Through social networking sites they exchange ideas and interact with people from around the world whom they have never met and offer their opinions via digital polls and blogs. At work they expect similar access to information, for their opinions to count, and they desire collaborative work environments (Tapscott, 1998). Millennials are used to receiving instant, frequent, feedback from their parents, their digital worlds and presume to receive similar performance feedback at work. Most companies are not very effective in providing performance feedback at work. Our research indicates that lack of regular feedback at work is a major dissatisfier for these young workers (Maddox & Levin, 2008). In cross-generational learning sessions my colleague and I have conducted, older managers describe Millennial workers as having an inflated sense of their worth, being disrespectful of authority, being unrealistic about the pace of their career advancement, all consumed with technology, and naive about office politics. At the same time, managers admire their technology adeptness, ability to embrace change, and positive attitudes. The irony is many of these managers are the very parents who shaped these young workers. Millennials value social justice, equality, diversity and selectively seek out employers who demonstrate these val-

ues (Alsop, 2008; Howe & Strauss, 2000; Maddox, & Levin, 2008; Zemke, Raines, & Filipzak, 2000). They want to work for socially conscious, "green" companies. An executive client of mine recently expressed astonishment tinged with some resentment at the "moxie" of some young workers who emailed him suggestions for reducing the company's "carbon footprint." They recommended actions like changing to CFL lighting, unplugging computers when not in use, going paperless, and using web-based meeting tools. After he calmed down, he noted that these were pretty good cost saving ideas.

Millennials want to shape their jobs around their personal lives, rather than vice versa. They want their work to be intellectually stimulating, use their skills right away, and have flexibility. (Streeter, 2007; Terjesen, Vinnicombe, & Freeman, 2007). Friendship at work is important and many choose companies where they already have friends or know people. They seek out the opinion of actual friends or "networked" friends before deciding where to seek employment. They want to be treated as colleagues and not as subordinates. Formal positional status and years of experience do not impress them. Older generation managers experience this as disrespectful. Traditional top-down management models are a major turnoff. Millennials want open access to senior level decision makers and to be listened to. As indicated earlier, they are outspoken and fearless in raising issues even with the most senior leaders. I saw this first hand recently when I attended several town hall meetings at a company where senior executives were discussing the current financial crisis and its implications for their business. I was struck by the number of younger workers who without hesitation posed challenging questions to the senior executives while older managers and employees sat silently almost in disbelief.

While this generation's work ethic has been criticized, they prefer to work when and where it makes sense to them and will put forth tireless effort if they view the work as important. Several baby boomer managers commented to me their surprise at seeing email strings and document sharing among young employees occurring all times of the day or night. Another related a story about a team of young workers who completed an important assignment in advance of the deadline suggesting they spent weekends working on it. Their facile use of digital tools helps make them be productive. They do not feel any stigma to frequent job changes. Instead, they intentionally seek

¹ Some attribute the first use of the term Generation Y to a 1993 Advertising Age editorial

a variety of work experiences. This has created the perception that they lack loyalty and will leave at the earliest sign of dissatisfaction. We do not know if this is true for Millennials, but they do tend to have short attention spans and desire immediate gratification. We are yet to see if the current economic downturn will temper this inclination. Our research shows that Millennials expect to not only have multiple careers over their work life, but parallel careers (Madrox & Levin, 2008). Recruiters and hiring managers are dismayed by this because it conflicts with their longstanding bias that frequent job changes are undesirable and indicative of immaturity and lack of commitment.

Organizations Respond: Leading Practices for Managing Millennials

As the competition for talented Millennials increases, many companies are rethinking how they define and manage work. Gorman, Nelson, and Glassman (2004) suggested companies need to redesign their entire human resources value chain and its associated practices to accommodate this new generation of workers.

Many organizations already are using internet based recruiting. They routinely post new jobs not only on their website, but on other popular career sites frequented by Millennials. As noted earlier, referrals and testimonials are important to this cohort in determining where they seek employment. As a result, some companies are beginning to post jobs on various social networking sites too. Companies are also trying appeal to what is important to Millennials by highlighting how socially responsible, innovative, and diverse they are. Hiring managers are trying to discern patterns to the movement associated with frequent job changes and acknowledge the value of experience acquired from non-work activities like volunteering or travel. One area where recruiters and managers are not adapting well is when a new recruit's parents intervene in the recruitment process. Hiring managers have told me about incidents of being contacted by a prospective recruit's parents who queries them on the benefits the company has to offer their child's career, and sometimes to negotiate salary or job duties on their child's behalf.

A few companies are redesigning entry level jobs to increase variety and autonomy and are experimenting more with flexible work arrangements like telecommuting. Managers are being trained in techniques for motivating this young generation of workers such as contextualizing work assignments to provide a sense purpose and how to provide constructive feedback. Generally, managers are being trained to operate more as coaches with their young employees. A growing number of companies are implementing formal mentoring programs linking new hires with more experienced employees who help younger employees learn the ways of corporate life and how to navigate the company's culture. A few are attempting to leverage the Millennials' digital expertise and preference for working collaboratively by engaging them in teams assigned to implement new technologies. Most companies I encounter are struggling with how to respond to Millennials' desire for clearly defined career advancement criteria. This is challenging since so many intangibles are involved in promotion decisions including the timing of available positions.

Other strategies for recruiting, motivating, and retaining Millennials include paid time off to perform community service work and integrating volunteerism activities in annual performance goals.

Potential Contributions by Psychologists

Consulting psychologists and psychologists in management have much to contribute towards helping organizations. These include:

1. Coaching managers to avoid unproductive stereotyping of this generation so they are not blinded to the individual needs and talents of cohort members.
2. Educating older generation managers about what "drives" Millennials so they know how to motivate and manage them better.
3. Coaching Millennials about how to adapt to and navigate organizational life, how to initiate constructive change in management practices, and influence others effectively.
4. Conducting team development interventions to facilitate bridging of cross-generational differences in the workplace.
5. Conducting further research to discover the extent that identified Millennial generational attributes are shared across national cultures and socio-economic conditions.

Finally, the current historic global economic crisis has become a significant formative event for this generation and we will have to wait to learn what enduring effect it may have on their work related attitudes. (U)

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