

OLD RECRUITING, RETENTION TACTICS LOSE LUSTRE AS MILLENNIALS DOMINATE LABOUR MARKET

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Books on human resources management are full of advice on how to attract new employees and make your working environment worth staying a while: a good salary, a nice office, friendly staff, reasonable working hours and open communication with your bosses. But these tactics aren't enough anymore, as the millennial generation is flooding the labour market, looking to get different things out of their jobs than what Baby Boomers and members of Gen X wanted.

As millennials, or employees born in the 1980s and 1990s, have come to outnumber their older colleagues in the workplace, becoming the largest living

generation in the US, their ideals are rapidly spreading through the entire workforce, bringing companies face to face with a major talent retention challenge. Numerous studies have shown that younger workers are less likely to be attracted by traditional job perks than past generations, and are more interested in how the culture of a business speaks to them. Younger workers consider personal growth prospects, work/life balance and flexible working hours as important as their monthly pay cheque.

In pursuing their values, and often seeing no compelling reason to stay with their current employers, millennials switch jobs more frequently than older generations, adding an extra cost burden for organizations that need to replace workers. A recent [Gallup report](#) showed that 21 per cent of millennials say they've changed jobs within the past year, more than three times the number of non-millennial employees. This millennial turnover costs the U.S. economy more than \$30 billion annually, the research institute estimates.

Work Culture

Younger employees are more often prioritising workplace culture when looking for a job. This may include working in a healthy environment with clear lines of communication and strong collaboration between entry-level employees, middle management and executives. Even though compensation is important and must be fair, it's no longer the driving force behind the choice of employer – or behind performance. For millennials, work must have meaning and purpose. Almost 80 per cent say the workplace environment affects their decisions to stay at a given job, according to a [RingCentral survey](#).

Young professionals want to be trusted, respected and appreciated for what they have to offer. They thrive on hands-on experience that gives them a seat at the table and a voice. Forty-four per cent of millennials who report that their manager holds regular meetings with them are engaged, while only 20% of those who don't meet regularly with their manager are engaged, according to the Gallup survey. And the new technologies that have revolutionised the way younger people communicate nowadays – by texting, tweeting, or web chats – have had a huge impact on the workplace. Executives should bear in mind that as the younger generation is accustomed to constant communication and feedback, old-style annual reviews may no longer work.

Personal Growth

To keep their younger stars, employers have to understand and align with millennials' values and mind-set. According to a [Deloitte survey](#), loyalty to an employer is driven by understanding and support for millennials' career and life ambitions, as well as opportunities to progress and become leaders. Having a mentor is incredibly powerful in this regard. Millennials don't want bosses: They want managers who can coach them and value them as both people and employees, and who help them understand and build their strengths.

Career growth opportunities are rated at the very top of criteria for the selection of an employer. When considering reasons for quitting a job, the top two reasons cited were to make more money/have better financial opportunities, and to be able to move forward in their careers, according to Boston College research. A [Universum survey](#) found that the top three work-related fears for millennials are getting stuck with no development opportunities, not being able to realise their career goals and not finding a job that matches their personality.

Flexibility

A flexible working environment is another key aspect that millennials take into account as they search for a new job. Younger workers are highly dedicated to their jobs, and are often willing to work well beyond normal business hours. However, they remain fiercely independent in their work habits, seeking more freedom and flexibility to work whenever and wherever they feel most productive, according to a [study by RingCentral](#).

Around 75 per cent of millennials would prefer to work from home or other locations where they feel they could be most productive, as opposed to the regular 9-5 working hours at a desk in an office building. Nearly half of millennials would take flexible time or more vacation over increased pay. This is a solution worth considering for many business owners and managers, as it is possible to offer a little more schedule flexibility as long as the work gets done. There are many positions that fit well with this line of thinking, including sales professionals, programmers and financial managers.

Also worth noting is that most millennials feel their lives outside of work are much more important to their sense of identity than their careers, as a Boston College survey showed. Even though a very high percentage of respondents wanted to take on increasingly challenging tasks, develop their expertise and advance up the career ladder, only about 20% of millennials were willing to pursue these goals at the expense of time with their families and their personal lives.

As we move into the new millennial-dominated era of employment, if managers and business owners want to attract the best employees and retain younger stars, they have to introduce millennial-friendly practices and align with the new generation's desired lifestyle. Applying new HR tools will definitely help boost business and cut job turnover costs. Millennials are the future – or actually the present. Don't let them slip away.