

P A R T

I

THE MILLENNIALS
HAVE ARRIVED!

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C H A P T E R

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THE MILLENNIALS AND YOU

If we don't like a job, we quit, because the worst thing that can happen is that we move back home. There's no stigma, and many of us grew up with both parents working, so our moms would love nothing more than to cook our favorite meatloaf.

—Jason Ryan Dorsey (28 years old)¹

Have you noticed a recent change in your workplace? Young people—particularly members of a new generation of workers that we refer to as Millennials—are joining our workforce. Are you ready for them? And have you noticed that they are a little different than you? You might even think they are strange or that they do not quite have “it” together. Maybe they sometimes show up to work wearing flip-flops, or they have iPod headphones hanging from their ears. And perhaps they just sit at their desks waiting for someone to give them something to do. Let us be the first to tell you that the invasion of Millennials will soon become a flood. In 2006, Millennials comprised 21 percent of the workforce—nearly 32

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million workers.² Over the next decade they will be *all in*! Successful managers will be the ones who understand, appreciate, and learn to work with the differences in values, work-life priorities, and expectations they bring.

The Millennial flood has become front-page news—virtually every form of media is talking about it, from mainline television news channels to newspapers to niche magazines and journals. *USA Today* had this to say on the topic: “Businesses are struggling to keep pace with a new generation of young people entering the workforce who have starkly different attitudes and desires than employees over the past few decades.” *Human Resource Executive* says, “Millennials, people in their twenties, are just now entering the workforce bringing with them new promises and challenges for HR, not to mention a whole new way of working.” Clearly, something has changed from previous generations to this newest generation of *twentysomethings*, and management is worried that the change is not all good.

Let us say that you run a corporation—who is going to take over for you when you’re gone? Do you think the next generation is ready to take over? Or perhaps you run a family business—do you think your kids are ready to step into that role? Guess what—*today is the tomorrow you worried about yesterday*. It is here. Now. The aliens have landed. Remember those old science fiction movies from the 1950s? These beings would climb out of their spaceships that flew halfway across the galaxy to pay us a visit. They looked just like humans, but there was something different, something not quite right. Some people thought these aliens were hostile when in actuality they came in peace.

The new generation of *twentysomethings* has seen the help-wanted signs in our windows. They know we really need them—and guess what? They need us just as much as we need them. So the thing to do is to reach out and get to know them. What motivates them? What do they think? How do they learn? What do they expect? Why reach out? Because we each have what the other really wants and needs, and because our success—and the success of our organizations—depends upon it.

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THE GENERATIONS AT WORK

But aren't all youth the same? The answer to that is yes and no. There are some common characteristics of all youth, whether they were born a hundred years ago or just a decade ago. Before we address whether all youth are the same, let's briefly outline the four generations currently in the workplace.

In our training sessions, we do an exercise where we break into groups and have the participants talk about the clothing they wore, the music they listened to, the sociopolitical events they remember, and the technology they used in their adolescence and young adulthood. You can imagine how quickly people start to compare their experiences. In one of our sessions, a Builder, a person born from 1925 through the end of World War II to 1945, told of how her family shared a telephone with other families in the area. Few people today remember that they were referred to as "party lines." A Millennial pulled a smart phone out of his pocket and said, "This is my party line. I can connect to five people at once."

The Builders

There were 56 million Builders. The Great Depression, Roosevelt's New Deal, the Korean War, World War II, the GI Bill—all left an indelible stamp on the members of this generation. As a result of the GI Bill, 49 percent of those admitted into college in 1947 were veterans. By 1956, nearly eight million World War II veterans had taken advantage of the opportunity to further their education.³ Authority was important as was hard work, honor, and delayed gratification. People were willing to work 30 years or more before they got their gold watch and could retire. It was not uncommon to spend one's entire career at one company.

The Baby Boomers

Then along came the next generation—the Baby Boomers—born from 1946 to 1964, numbering 80 million or so men and women. Vietnam, the Cold War, the Civil Rights Movement, the Women's

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Liberation Movement, television, and rock and roll all made an indelible impression on this generation. The Baby Boomers protested in favor of equality for everybody, and they discovered the charms of credit cards (which drove their Builder parents crazy—they remembered the Depression and learned the lesson not to buy on credit). The Kennedy and King assassinations robbed them of their innocence, while the moon landing showed the world they could do anything they set their minds to. For the Baby Boomers, values such as professional identity, health and wellness, and material wealth are all very important. Boomers are forever young—run fast, jump long, and throw hard. They wanted free drugs in the 1960s and now they want free drugs again, this time from Medicare. Because they find much of their identity in their work, it is no surprise that Baby Boomers have added one month per year to the workweek. When it comes to technology, they use it to do *more* work—not less.

Generation X

Then along came another group—Generation X—born from 1965 to 1977, which numbers 38 million. GenX(ers) were influenced by more recent events such as the Persian Gulf War, the Challenger explosion, AIDS, corporate downsizing, a tripling of the divorce rate, both parents working (latchkey kids), video games, MTV, computers—all made their mark on this generation. They were suspicious of their parents. They say, “Wait a minute. You mean you can land a man on the moon, and yet you can’t even get a rocket off the launch pad?” Some of the values that emerged from their experience include mobility and autonomy. They need to be able to move around and want to be their own person. Their greatest value is to have balance in their lives. Technology came of age, and the members of this generation use it for work-life balance. They don’t perceive a need to be in the office—they could sit on the beach and do their work.

The Millennials

Today there’s a new generation known as Generation Y or the Millennials. Demographers place their birth years between 1978

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and 1996. There are 78 million *twentysomethings* and they make up more than 25 percent of this country's population. They have been shaped by 9/11 and terrorism, Columbine (which took the King and Kennedy assassinations to a new and more personal level), the girl's movement—Spice Girls, Dixie Chicks, cell phones, text messaging, technology-based social networking, and a strong emphasis on social responsibility.

Technology isn't a tool to just do more work or to achieve work-life balance—it is an integral part of the members of this group, and working with it has become second nature. The members of this new generation want and need constant feedback. Why? Because they were raised in democratic and praise-based families that proudly displayed “My kid made the honor roll” bumper stickers. They grew up in an era where the focus of parenting was nurturing. They have grown up working on teams in school and on academic projects. When they get into the workforce, they expect to work in teams. Diversity is important to them. If they walk into the workplace and don't see diversity, they think something is wrong. What about morality? Abstinence is up. Substance abuse is down. Youth today, more than ever, are interested in developing their spirituality.

The O Generation

The O Generation clock started in 1997 and will continue into the second decade of the twenty-first century. The forerunners in the group are turning 12 years old. They will be coming of age during the Obama presidency. Their cohort will be smaller than that of the Millennials. Here are some of the things that may impact their values and attitudes; Mortgage Crisis, Corporate Bailouts, Hannah Montana, “Sully” and US Airways Flight 1549, “Captain Phillips” thwarts Somalian Pirates, and the Obama Election and Presidency.

THE COMING JOB GAP

There is a global phenomenon taking place. It is called global aging, and its impact will be evident over the next few years.

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Domestic supplies of labor will decline in many developed countries or will grow at a markedly reduced rate compared with previous generations. Large numbers of the most experienced workers will exit the labor force due to retirement and mortality. The battle for talent will intensify within regions. Countries will battle for dwindling supplies of indigenous, high-skilled labor. The European Union alone is currently experiencing a 25 percent decline in population.⁴ The Great Recession of 2008 to 2009 has temporarily slowed the exit of Baby Boomers from the workforce, but the exodus will resume once the economy—and retirement savings—recover.

At least 50 percent of executives in the United States will be eligible to retire in the next five years.⁵ You might think, “Well, that’s okay. We’ll just let the people in the next positions take their place.” The problem is that the people in the second, third, and fourth positions are also Baby Boomers, and they’re going to be retiring, too. Long story short, an organization’s future vitality is dependent on its ability to attract, retain, motivate, and develop Millennials.

Millennials are the most socially and diversely tolerant generation ever, the most educated and technologically savvy generation ever, and also the most sheltered and structured generation in our country’s history. One in three is not Caucasian. One in four comes from a single-parent home. Three in four have working mothers; and in two-parent homes, children get more time with parents than they did 25 years ago.⁶ Naturally, they comprise the fastest-growing segment of the workforce. There are currently more than 32 million twentysomething workers in the United States and that number will continue to grow through the year 2015.

YOU’RE SO SPECIAL

There are six major value-shaping influences that impact every generation as its members move through their formative years:

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family, education, morality, peers, spirituality, and culture. Let us examine how a few of these influences have shaped Millennials—in forming their value system, their worldview, and their aspirations in life.

While Baby Boomers live to work, Millennials work to live. For Baby Boomers, authority and hierarchy are important. For Millennials, not so much. They don't care what your title is—they want to know if you have the goods. When it comes to salary and wealth, Baby Boomers are convinced they need to work hard to earn it. Millennials simply expect it. Baby Boomers believe in position, performance, and individual reward. Millennials? Again, not so much.

From an early age, Millennials were taught that they were special. The self-esteem movement caught hold in the 1980s. Its aim was to build self-confidence in children by taking a more nurturing approach to early education. Researchers who study the rise of narcissism in the United States, like Jean Twenge of San Diego State University, believe the self-esteem movement may have gone too far.⁷ One of the examples Twenge cites is a song commonly sung in preschools. The words "I am special, I am special. Look at me" are sung to the tune of "Frere Jacques." Catalogs of books and other media for teachers are filled with titles that include the phrases "I am special," "all about me," "celebrate me," "the poem of me," and so on.

But just how special are these young men and women? Consider these direct, unedited quotes from people who manage Millennials.

- "They do not care about customers."
- "If you correct them, they quit."
- "They think there is always an excuse that can make being late okay."
- "They want a trophy for just showing up."
- "Yelling and screaming is the only thing they understand."

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- “They pick up computer and cash register skills quickly, but if it breaks they cannot count back change from a \$10 bill.”
- “She asked for an extended lunch hour to go shopping with friends after her third day on the job.”
- “They assume it is okay to call me by my first name like we are buddies. I am their boss.”
- “Anything extra nice I do, they act as if I owed it to them.”

But what about Millennials’ perceptions of themselves? As you see in the following direct quotes, their perceptions of themselves are not inconsistent with the perceptions of others.

- “We are not defined by our job.”
- “We want to have a say about when we work.”
- “We want to have a say about how we do our work.”
- “We do not expect you to be our best friend, but when you evaluate or critique us, we want you to do it in a friendly way (just like their parents did).”
- “We want you to give us direction and then get out of our way.”

Millennials have high perceptions of themselves. They think that they work better and faster than other workers. They have high expectations of their employers, and they want direct and fair input from managers. They want managers to be involved in their professional development, because it is all about them in many ways—it is not just about the company. They seek out creative challenges and view peers as vast resources from whom to gain knowledge. They want to be recognized and valued the first day on the job. They want small goals with tight deadlines so they can see their own development as they slowly take ownership of a new role. In summary, Millennials are high performance (with a lot of potential) and high maintenance. For many managers, the

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maintenance clouds the potential. Instead of opportunity and promise, they see a headache.

BRIDGING THE GAP

Here's the rub. More than 60 percent of employers say that they are experiencing tension between employees from different generations—more than 70 percent of older employees are dismissive of younger workers' abilities. If this were not bad enough, 50 percent of younger employees are dismissive of the abilities of their older coworkers.⁸ The tension is so thick in some organizations that it has become debilitating.

An organization's future vitality is dependent on its ability to work with Millennials. Many managerial leaders are beginning to recognize this fact, and they are taking action now to bridge the gap between the generations. The emphasis on recruiting, employee engagement, and talent pipeline is resounding throughout conference rooms across the country. According to Scott Pollack at PricewaterhouseCoopers, the story does not end with recruiting. Says Pollack, "The war for talent has shifted. You still want to recruit, but the new challenge is, how do you keep the best people?"

Today, retaining the best people is key to competitive advantage. Do not let the current down cycle in employment fool you. Millennial employees are going to have almost unlimited opportunities for work—from sea to shining sea. What are you going to do to attract them, keep them, and unleash their creativity and energy? Okay, Millennials have a different set of attitudes, values, and beliefs than do the men and women who preceded them into the workplace. You have a choice: You can *villainize* them and say, "They just aren't the way we used to be." Or you can *tolerate* them and say, "We have no choice. We have to let them work here." Or you can *engage* them, and benefit from the contribution they will make.

So the ultimate question is this: How are we going to manage differently? In the chapters that follow, we explore this question—and the answers to it—in great detail.

