Managing Millennials: Engaging with the Newest Generation of Workers

Regardless of your industry, the population of millennials — employees who reached working age after 2000 — is probably growing rapidly at your company. As the generation that grew up with technology, they know how to stay hyper-connected with people and information. This capacity, combined with young people’s natural energy and tendency to generate novel ideas, can accelerate innovation and productivity at any company if people and processes are properly managed. This ExecBlueprint describes effective approaches for recruiting and retaining this generation that has been alternatively described as entitled and creative. First, you may need to address conflicts with older workers if they resent millennials’ demands for flexible work arrangements, career advancement, and open relationships with leadership. Ask these groups to work together. Foster as much transparency as possible across the organization. Resist the temptation to apply the millennial label too indiscriminately to every employee in the age group. Instead, ask what each individual needs to succeed in your company.
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Jody Diaz currently serves as the senior vice president and chief people officer for Rent-A-Center (RCII), a publicly traded company with over $3 billion in annual revenues and over 20,000 employees in multiple countries. In these roles, Ms. Diaz is committed to working with the company’s colleagues and management teams to provide leadership and guidance in all aspects of human resources. She is a results-oriented business executive with a proven record of delivering value-added human resources and organizational development programs aligned with strategic, operational, and profit objectives in multi-facility, multi-state, and global operations in a broad array of industries.

Over the last 10 years, Ms. Diaz has worked as the chief human resources officer for three other private-equity owned companies: ACE Cash Express, United Surgical Partners International, and Viant.

Ms. Diaz started her career working as an accountant/auditor for Price Waterhouse in Toronto, Canada. She was then recruited to move to Dallas to work for Frito Lay. She expanded her career by working as a management consultant for top-tier clients including Deloitte & Touche, BellSouth, State Farm Insurance, and Comforde.

Read Jody’s insights on Page 3

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Rita Fields, D.M., is the chief strategist of workforce planning for Copper Phoenix Consulting, LLC, and an assistant professor of management in the School of Business at Madonna University where she is responsible for teaching business strategy and ethics to both undergraduate and graduate students in the School of Business. She also offers organizational consulting to clients.

Prior to academia, Dr. Fields worked at the senior executive level in the health care industry for more than a decade. Two major highlights of her career in health care include developing and implementing a comprehensive career center for entry-level employees as well as the human capital strategy for Henry Ford West Bloomfield Hospital in West Bloomfield, MI. The human capital strategy contributed significantly to the organization’s scoring at the 99th percentile of the Press Ganey patient satisfaction scale for the first three years of its operation.

Dr. Fields is a member of the Eastern Michigan University Management Advisory Board, Society for Human Resources Management (SHRM), and the National Association of African Americans in Human Resources (NAAHR). She is a recent ex-president of the Marygrove College Alumni Board, a board member with South Oakland Shelter (SOS), and a board advisor for the First Children Finance Fund.

SHRM invited Dr. Fields to be a U.S. delegate representing the human resources profession in China (2010) and Brazil (2011). On an ongoing basis, she is a sought-after speaker on issues involving talent development and strategic planning.

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Belinda Hyde, Ph.D., has been the CHRO at Schnitzer Steel since October 2011. In this role, she is responsible for leading the human resources team to attract, develop, and engage the talent Schnitzer needs to fulfill its strategy.

Dr. Hyde has extensive experience working across industries with global, publicly traded companies to build people capability and increase alignment and engagement of the workforce. Prior to Schnitzer Steel, she worked with Celanese, a global specialty materials company, where she was the vice president, human resources, and was responsible for talent management, talent acquisition, and global compensation and benefits. Her prior experience includes leadership roles in executive development, talent management, training, internal communications, and generalist support with Tetra Pak, Dell Computers, and Life Technologies.

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Jenny McCauley has served as senior vice president, human resources, for Southwestern Energy since June 2009.

Before joining SWN, Ms. McCauley was vice president of human resources for the Americas and Global LNG region of BG Group, an integrated natural gas company based in the U.K.

She has held a variety of human resources positions for JPMorgan Chase, Aramark Uniform Services, and Hilton Hotels Corporation. She began her career as a psychology and U.S. history high school teacher in Houston, Texas.

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Confronting the Tension Between Millennials and Baby Boomers

Like most companies today, we are faced with an interesting challenge of having multiple generations of employees working at the company and within departments at the same time. In the past there was never such a significant disconnect between employees. Now the increased tension is noticeable as the generations learn to work together.

As a result, all employers are trying to solve the mystery of what they can do to engage with the newest generation of workers and retain them to add value to the business. My experience with and interest in the millennial employee has allowed me to learn a great deal that has made a big impact on our recruiting and retention of this youngest group. This includes understanding what their priorities are, how they want to be talked to, and the environment and culture that you need to create to help ensure they enjoy work.

Initially my interest in this topic arose due to the tension that was occurring between the millennials and baby boomers. In recent years I was receiving a lot of manager complaints about how they were unable to work with the “superstar” millennial that they had recently hired.

In our stores, the majority of our workforce is millennials. Over the past few years, more millennials have been hired to work as customer account representatives, assistant managers, and store managers. In contrast, the majority of our leadership roles are held by other generations, including baby boomers. This has introduced challenges that we have never had to deal with before in terms of perspectives, attitudes, and expectations.

The Priority for Millennials: A Work–Life Balance

As a company, we have been challenged to adapt to millennials’ different attitudes and priorities. Traditionally, the key to our longevity and success in the marketplace can be partly attributed to our strong company culture. We focus on treating people as they would like to be treated. That goes for our manager–employee relationships as well as our employee–customer relationships. We expect all customers to be treated as we would want to be treated. That goes for our manager–employee relationships as well as our employee–customer relationships. We expect all customers to be treated as we would want to be treated. However, this culture has been difficult to explain and install with millennials. For example, we need employees to understand that we must serve customers where/when they want to be served. This includes evenings and weekends, not when it is most convenient for us. Not all millennials understand that we must sacrifice some of our personal wants for the customer.

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“Employers struggle with providing and creating the flexibility that millennials require.”

- Financial, analytical, operational, and HR expertise
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In our stores, we have started offering rotating weekends off as a way to keep the millennial employees satisfied and engaged. This is a new idea that baby boomers would never have asked for. Other generations may not have liked working evenings or weekends but they understood that it was required and did not question the expectation.

We have also adjusted the schedule regarding when employees can take vacation time. In the past, a new hire had to work at the company for six months before they were eligible for time off. Our experience was that millennials did not agree with this policy and would simply call in to their boss and tell them that they would not be coming to work that day. They had no concern about who would cover their shift or if they would lose their job. They were more concerned about their personal needs rather than thinking about what would happen in the store or how customers would be served. Their focus was not on supporting the customer experience or following required company policy.

This is an example of how millennials are focused on different priorities and have a different view of work. For all companies, this is a culture shift that can’t be ignored. It has a big impact on the customer experience and the likelihood that a customer will return to your store. And, if not managed correctly, this culture shift can have a negative impact on revenue.

**Bridging the Gap Between Generations**

There continues to be a generational clash between millennials and other generations. Millennials’ demand for a work–life balance, with its accompanying expectation that weekends are sacred, creates tension between millennials and baby boomers. The baby boomer generation believes in loyalty and doing what the manager and company asks and expects. In general, baby boomers are very mindful of rules and do not question or challenge expectations. When manager makes a request, they do not ask questions or why they must do it.

This is different with millennials. They don’t see anything wrong with asking why they need to do something. They do not see this as disrespectful or challenging the manager’s authority. They are simply trying to understand the need and clarifying why it needs to be done.

In addition to understanding why something needs to be done, they want to be allowed to complete the work on their schedule. They do not want to be micromanaged, they want the autonomy to complete their work on their own timetable. They don’t understand why there needs to be conformity to processes as long as they get the job done in the timeframe required.

The challenge for most companies is to understand what they need to do differently and get the executive leadership team to support necessary changes in approach. Key ideas for what needs to be considered are discussed below.

**Short-Term Versus Long-Term Thinking**

The turnover rate for millennial workers is double, on average, than for baby boomers. They are highly focused on today and what is the best opportunity that is currently available to them. They focus their attention on the here-and-now and are very short-term thinkers. They don’t think about career development or how to get ahead in one company. They instead focus on what is the quickest way to get somewhere.
All companies have seen the openness of millennials to new opportunities. If a new interesting opportunity is presented to them elsewhere, they do not consider the future opportunities at the existing company; they focus primarily on what is available to them today.

We have found that in order to retain the millennials at the company, we need to ensure that there are frequent recognition programs and rewards built into the environment. We also are working to help managers understand the need to provide millennials with an environment that is empathetic and not characterized by a traditional manager–employee relationship. It is important to connect with them on a personal level and get to know and understand them as individuals. These are key aspects that help create a greater degree of loyalty and work satisfaction. In addition, it is imperative for a company to inform employees on their progress and potential advancement opportunities that are available to them within the company. If you do not have these things in place, the company will experience significant turnover among millennials.

### Communicating with Millennials

Millennials prefer interactive, collaborative environments. They are not shy in a group environment. They will openly share their ideas regardless of whether the idea aligns with the manager’s viewpoint. They want to make sure that they are recognized and have a voice.

Accordingly, millennials are a very creative generation that can provide some great ideas. They desire the flexibility to discuss new ways of doing things. It is important that they have the ability to

### Best Practices for Managing and Retaining Millennials

1. **Provide an empathetic workplace environment.**
2. **Get to know and understand them as individuals.**
3. **Give them a voice in decision making and to express their ideas.**
4. **Allow them to influence the way work is done.**
5. **Avoid group meetings when discussing individual performance and feedback.**
6. **Offer frequent recognition programs and rewards.**
7. **Inform them on their progress and potential advancement opportunities.**
express their views and influence the way work is done. If given the opportunity, they can provide a lot of creative ways to solve problems that can really benefit a company.

When it comes to individual performance and feedback, they prefer one-on-one conversations to group meetings. Overall millennials want empathetic leaders who recognize and reward them frequently for their work. They prefer to be told when they are doing well and not when they are doing poorly. In other words, they do not receive negative feedback well. As a result, negative feedback can result in a defensive reaction and anger. They tend to focus on themselves and do not understand the overall impact they are having on coworkers or the company. This attitude can make it difficult for managers to develop a healthy relationship with the millennial worker and keep him or her engaged in the work. Helping managers to understand these nuances can have a positive impact on the relationships and their ability to retain millennials.

Mentoring Programs
In an effort to help provide development opportunities and career advancement for our employees, we created two distinct programs. The first program is a mentoring program that pairs millennials with more tenured employees and is specifically focused on helping them learn the necessary skills to be promoted.

The second program created is called our Centers of Excellence. This program was created to ensure that we have a consistent, formal training program for the development of our newest workers. Its focus is on learning best practices for how to do their current job as well as what is needed to move to the next level in their career. It is very interactive in nature and includes hands-on experiential learning. We created traditional learning books that include a lot of examples and practice opportunities as well as online training where employees can delve into the material at their own pace and according to their own schedule. Consequently, the program can be accessed in a group setting or on an individual, self-paced schedule. Both methodologies not only tell learners about concepts but also allow them to practice the skills/concepts and put them into action. The program therefore accommodates different ways that employees prefer to learn.

In addition to these programs we have internship programs for students at the corporate level. These are available for students who have a specific focus of study, mostly in the areas of accounting, finance, marketing, and human resources.

Describing Millennials
In comparison to some other generations, the millennials are a unique group. They have a different set of priorities and think and work differently. Their viewpoints on work aspirations and how they view their work and life are different than what has been traditional with baby boomers.

Millennials put a greater focus on quality of life. They are not as focused on moving up the corporate ladder, being loyal, or making a lifetime commitment to a company. Instead, they view their job as something to pay their current bills instead of focusing on the career that they could have with a company. They are also much more group-oriented and team-focused. They worry less about reaching individual goals and focus more on collaboration. They want a nurturing environment that is similar to how their parents treated them. As an example, they prefer to be recognized and praised for everything they do well but do not want feedback on what they do poorly.

Best Practices for Recruitment
Millennials tend to rely a lot on their friends for guidance and advice. Accordingly, the best practice for recruiting millennials is word of mouth. Because our best source of referrals comes from current employees, we offer them a referral program. If a friend works for the company and is happy, they are likely to share the job opportunity with their friends.

We also have started to focus more on social media to assist with recruiting. The traditional job boards are considered outdated by millennials and campus recruiting is only mildly successful. This is causing Human Resources to be more creative in how they approach recruiting. When a millennial considers a job opportunity at a company, they will immediately begin looking at the social media about the company. It is important that the company provide not only job descriptions but the company must include career development opportunities that outline the career path. When recruiting millennials one very
important criterion to not over-
look is how the company makes
work fun!

**Benchmarking Success at Recruiting and Retaining the Millennial Worker**

When viewing our practices for millennials, we use two criteria to
determine success. Our number-one benchmark is our ability to retain
this population. We look at this measure both companywide and on
an individual-manager level. This allows us to better identify which
managers may be encountering the
most difficulties with leading
millenials. We can then help teach
the manager how they can be more
successful in managing this new
workforce.

The second measure we explore
is how well they perform, and it
encompasses a lot of metrics. We
try to take a holistic view that
includes how long we keep them
and how well they do while they
are here. Obviously, we only want
to recruit the best talent and we
reward via pay, incentives, and
development programs. The chal-
lenge of calculating the ROI of
recruiting and employing millen-
ials is their high turnover rate. One
of the benefits, though, is that they
are highly motivated and are very
good at multi-tasking. They enjoy
a challenge.

Over the next year, we want to
focus on communication strategies
and find ways to better engage with
millenials. I want to focus less on
recruitment and more on retention.
If we can find out what keeps them
interested and willing to stay with
the company instead of leaving the
first time a new opportunity pres-
ents itself, then we will be able to
increase our ROI significantly.
Progressive organizations understand the importance of promoting inter-generational teamwork by deliberately pairing complementary skills.

Generational Breakdown of the Workforce

Our workforce is interesting because we have individuals who work within the educational sector and then we have our students. So, based on the recent information that I have looked at, millennials actually do not make up a large percentage of our workforce. They are comfortably less than 15 percent; however, in faculty or as students they make up closer to 30 percent.

When I was part of an organization, the number of millennials within that organization was still relatively low. What we saw was that millennials would come into organizations but they would not stay as long as other generations. They tended to get somewhat disengaged much quicker and their expectations were a bit higher. Once they realized that their idealized state of workforce engagement could not be reached within that organization, they would leave. Baby boomers, according to the research, tend to stay much longer. In fact, the average length of time that a non-millennial will stay at a job they hate is about five years (which I personally find horrifying).

Millennials’ Expectations

Many of my colleagues and other people that I work with in the industry complain about millennials’ “sense of entitlement.” However, this has not been my experience. Of course there are some millennials who you just want to put into a “time out” session, so to speak. However, I have found that they (particularly students) tend to be a bit more resourceful. They tend to be more willing and able to access outlets of information than older individuals and are much more comfortable with social media and apps. They understand that you can almost live any aspect of your life via an app. You can even have apps watch your home while you are at work. They are comfortable — and savvy — regarding those elements. So, I find that they are not individuals that you have to hover over. In my experience they tend to take things and run with them.

However, millennials do have higher expectations when it comes to flexible work schedules, and I do not believe it is because of a sense of entitlement. I think it has more to do with their perspective that it is simply reasonable for employers to allow for individuals to have a life. So, the concept of simply living to work does not resonate with most millennials. Thank God for that. In my opinion this was not exactly an adage that advanced our nation. By contrast, its primary effect has been to burn people out and make them angry because they are overworked or overstretched. Statistics also show that they get sick. I was in health care for 11 years and it is insane. Many of the stresses that older generations suffer from are correlated to the pressures and demands of work.
Millennials are different in that they expect that if they do a good job they should be able to take time off. Being an HR professional for as long as I have, I think they have a healthier attitude toward work-life balance — an attitude they expect their employer to share. Now, that is not necessarily the case, but their expectation is that an employer will want them to be balanced. By contrast, older generations see work-life balance as a privilege.

Company Culture
I think our culture is moving. It is becoming more dynamic because it needs to be. We are in the educational field and some people now are even questioning whether or not education is still a viable tool. I absolutely think it is still a viable and necessary tool and the research points to that as well. Statistically, individuals who are more highly educated make more money. The more educated you are the more money you have and the more access you have to tools, health care, and benefits.

The thing that is changing within the educational arena is that it is becoming more flexible and dynamic, and those changes are indicators of the influence of the millennial generation. For instance, areas that have engaged millennials, such as social media and general technological savvy, are absolutely becoming critically important skills within the educational community. As a result, team courses tend to be online and include robust interactive tools that are virtual as opposed to face-to-face. That change is reflective of a workplace that is also becoming more virtual. In my particular industry, there is an increasing awareness of the need to be flexible and offer options for people who are simply too stressed out or overworked. So, we are much more open to these newly developing demographic shifts.

Tension Among Different Generations
There is still this belief among boomers that their worth is determined by how many hours they put in, how early they get there, and how long they stay. I think everyone can recall a couple of people who came in before everybody else and stayed longer than everyone else but they were on the Internet playing Farmville for half of that time and ordering shoes the other half. It is not about being physically present in the office, but rather how productive you are.

Many boomers are focused on the symbols of success; it is important to them that people can see their success. Other generations, however, are more interested in development: I want you to send
me to a conference. I want you to give me a new tool. I want to be able to work from home. I want to be able to utilize this web-cam software so that I can conduct this meeting. Why can we not do this a different way?

When you utilize that drive for improvement effectively you can have an incredibly effective workforce. Unfortunately, many organizations do not. They recognize that there is tension but they do not understand that there are some simple things you can do to capitalize on the differences, such as partnering individuals together so that they complement each other. Putting people together does not take away from what they are naturally bringing to the table; rather, it enables them to learn to work together. It is like that movie Mean Girls; you can see the division at the lunch tables. Many of the millennials sit by themselves if they are even in the lunchroom, and many of the boomers do not even take lunch. They do not embrace each other and what they can learn from each other. Instead they are fiercely defending their turf. It is a dated way of working in this increasingly global and virtual workforce. Progressive organizations understand the importance of promoting inter-generational teamwork by deliberately pairing complementary skills.

**Mentoring Programs**
We do not have mentoring programs at my current organization. In some organizations it is not a common practice because some people are still hesitant to accept the reality that they can be mentored.

When you take abstract-thinking millennials and pair them with concrete-thinking boomers, you end up with the perfect person. Being abstract all the time is great when you are generating ideas, but when you need to get the work done you need to have somebody that is tactical. But pairing these qualities enables a built-in critique of the process because the two mindsets simply do not see the scenario the same way.

Research has proven for years and years that the most successful groups are heterogeneous, i.e., where everyone is not the same. So, when you have groups that are composed of individuals who are from seemingly opposing generations, the better the final product will be. Sometimes millennials will express a level of angst because they feel everyone does not value their contributions. They also feel that they are not inherently valued, which is the last thing we need. We absolutely need them. We also need people who are structured. So, we have to find ways to be smart about incorporating both skills into what we do.

**Allowing Technology Devices in the Classroom**

I am a professor and teach courses with boomers, traditionalists, gen-Xers, and millennials in the mix. A frequently debated topic among my colleagues is whether or not to allow technology in the classroom. Some of my colleagues, for example, will physically take your phone. They will make you check-in your laptop. To those professors, the students are being disrespectful, they are not listening. However, taking devices away can be offensive to millennials who use their laptops and phones to research what the professor is saying or to find an article. So, instead of taking that approach, I incorporate the use of social media in my classroom. We will have activities that involve using the Internet. By doing that, I am embracing the fact that there are different ways to learn.

**Recruiting Millennials**

I think social media is an excellent method because millennials will often go straight to the Facebook site of an organization to do research. If the company does not have a Facebook page then that is considered to be a strike against that company. Or they go and follow their tweet stream. But placing an ad in the paper is not going to even register for them; they do not read the newspaper. For that matter, I do not know many Xers who read the newspaper anymore and fewer boomers do as well. So, you cannot use those traditional recruitment methods to connect with them.

They are also open to being interns and starting at the bottom, whereas sometimes boomers expect that an MBA gives them the right to have a senior leadership position. I explain to them that just because you are educated does not mean that you qualify. They do not understand that. Millennials care more about finding a good fit; they take a more qualitative view than the older generations. So, you want to be more thoughtful about running into them in areas that you may not have anticipated. For example, more millennials attend
community meetings than other groups. They will be at gatherings that discuss topics affecting the community. When it comes to millennials, you need to make an effort to connect with them.

**Benchmarking Recruitment Success**

We benchmark recruitment success by asking what employees think. I have always told clients to only ask employees what they think if they are going to take their opinions into consideration. With millennials, you must be direct in asking them, but also be willing to try different ways. So, you could send a survey out but you might also want to invite them to a town hall meeting where they can connect with other people and express themselves in an open forum. Then you take careful notes and benchmark that. When you are doing surveys that evaluate your organization from the employee satisfaction perspective, you can slice that data any way you want. One of the first demographic slices you need to take is age. You need to correlate that to where they are in the organization and how long they have been there. Once you have grouped your data by specific demographics, you can spot the generational differences. The data will tell you what they are thinking, how long they typically stay, and when they start to get antsy.

Millennials are into advancement from a development perspective. I want to learn. I want to grow. I want to experience things. Consequently, their concept of the benefits of advancement extends beyond the stereotypical desire for a promotion. They want to be exposed to more things. You will want to ask them about that and you will want to offer career-planning programs within your organization. They are interested in things like that.

You must be deliberate about engaging millennials. They are, after all, here. They are not going anywhere. You cannot have a workforce without millennials. Many of them are into the social entrepreneurial space; therefore, they are starting companies. They are starting movements. They are starting things that, whether you like it or not, you are going to have to interact with. So, why would you not want that type of intellect, that type of initiative, within your organization from an innovation standpoint? That does not make any sense to me. The best organizations harvest that talent and nurture it on purpose.

**Adjusting HR Strategies to Meet the Preferences and Needs of Millennials**

To meet the needs of millennials, I simply ask them about what works. I ask them about whether or not assignments make sense. I ask them about what their experiences are in the workplace. I ask them about what makes them feel good when they interview and what types of jobs they want. What is it that they ultimately want in life? I engage in dialogue with them.

Also, you need to give surveys; you need data. You must have benchmarks so you can see trends year over year. When we organize groups for new projects or to get new ideas, we always make sure that we have millennials on board. You cannot ignore them because by and large they will bring things to the table that you did not think of. My vantage point has always been, “I know what I know, but I do not know what you know.” I cannot tell you how many times I have had my mind changed about things that I thought I knew because I did not consider a perspective that a millennial brought to the table.

Adopting an attitude of generational humility is key to interacting as we move into the future. We must understand that we have a perspective, but that we are limited by the fact that we have a perspective. So, the only way that you can become unstuck from your old perspective is by listening to other perspectives. The younger generations will talk to you, whereas sometimes boomers are so traumatized that they will avoid talking to you. They do not trust engagement surveys. They do not trust their employer. And they are not completely unjustified. From a psychological perspective the employer–employee contract has completely gone the opposite direction in the last 20 years, resulting in a great deal of distrust. Millennials have not been around long enough to be jaded. Working with millennials is like tapping an oil line. You can keep tapping it and it will still produce. So, that is what I think organizations need to do, and that is what I have been doing.
Belinda Gaye Hyde, Ph.D.
Senior Vice President and Chief Human Resources Officer, Schnitzer Steel

**Millennials are more likely to take real action on their dissatisfaction with career development by talking to others about it, changing jobs, changing careers, or even going out on their own to consult or start their own business.**

Belinda Gaye Hyde, Ph.D.
Senior Vice President and Chief Human Resources Officer
Schnitzer Steel

**Demographic Breakdown of the Workforce**

Schnitzer Steel’s workforce is generationally diverse with millennials, gen-Xers, and boomers each representing approximately one-third. Depending on the business division and the nature of the operations the proportions shift a bit. The retail side of our business, which is the Pick-N-Pull brand of self-service used auto parts, is composed of almost 50 percent millennials. In our metals recycling business and steel mill, we tend to be slightly more heavily weighted with gen-Xers and boomers.

We have not seen any dramatic shifts over the last few years, and I expect that we will see a small increase (3 to 5 percent) in millennials in our workforce as long-tenured team members start retiring. We will promote the middle generations into more leadership roles and backfill early-career roles with more millennials.

Overall, our workforce has been very accepting of generational differences. I think this is at least partially due to a history and strong culture of the importance of individual contributions to our self-made professionals and leaders. While we have not experienced issues with the generations working together, occasionally managers are a little confused by new and different expectations. Our focus has been on building management capability to work effectively with team members from any generation, background, or style. You must understand the specific needs and motivational drivers of your team members in order to coach and guide them to their greatest contribution. This is true regardless of the generation your team members fall into.

**Communication Styles**

E-mail overload has been less of an issue for our millennials, as they rely more heavily on real-time methods such as texting. They definitely prefer social methods of communication, which link back to their expectation of transparency. I think prior generations preferred to have messages come directly from their boss as he or she was a trusted source and had the most direct impact on them. The newer generation does not necessarily need to hear news from their boss, and they want to have an easy way to discuss and share information with their colleagues, friends, and family. We have not yet harnessed these new communication vehicles beyond using file share and workflow programs such as SharePoint.

**The Importance of Transparency and Flexibility**

My experience has been that the millennial generation tends to expect management to be highly transparent. They expect to know the reasons behind leadership decisions and be aware of future organizational plans. This creates challenges when you are dealing with confidential information or sensitive strategies. They expect to have very open, frank, and transparent relationships with their manager, and with management at all levels in the organization. They
experience little trepidation in talking to members of the executive leadership team.

Earlier generations may have desired this transparency, but they were not necessarily so vocal in demanding it. Our leadership has reacted to this desire for transparency by putting in place more robust communication plans associated with strategy, ongoing performance, and organizational changes.

Millennials also expect to be granted more flexibility in where, when, and how they get work done. This group tends to integrate more of their work and personal life so that working in the middle of the night or on weekends is not uncommon. On the other hand, taking care of personal business during the work day is also not uncommon. They expect that if they are getting all their work done, they should not necessarily have to be at their desk for the standard work hours. These individuals do not necessarily work less, they just want to work in different ways. This can create a challenge for our business, as collaboration and coordination become difficult when schedules are not synced. At this point in time, we do not support work from home or flexible work schedules.

**Career Development**

In terms of career development, I think the millennial generation is more vocal about their expectations than prior generations. While the boomers and gen-Xers may feel that they are not getting enough promotions or pay increases, they don’t necessarily talk to their boss about it. Millennials are more likely to take real action on their dissatisfaction with career development by talking to others about it, changing jobs, changing careers, or even going out on their own to consult or start their own business. They expect their boss to care about them as individuals. They expect that the organization’s processes and systems should be built to help them be productive, engaged, and satisfied. These expectations span from wanting business systems that are as easy to use as their smartphones (versus Oracle or SAP) to policies that make it easy for them to work from home, to an expectation of company-sponsored social activities and individualized/customized programs and policies. We have focused on building managers’ capabilities to understand the drivers and motivators of their team members, and to work within

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### What Do Millennials Expect on the Job?

| Flexibility: to decide where, when, and how they get work done |
| Good relationships with their boss: to be cared about as individuals |
| Transparency: to know the reasons behind leadership decisions and future organizational plans |
| Easy-to-use processes and systems: to be productive, engaged, and satisfied in their work as soon as possible |
| Career development: to receive the information and individualized opportunities they need to advance |
existing guidelines and policies to address those motivators where possible.

**Adjusting Corporate Culture**

We are just beginning to explore ways to individualize and offer more flexibility in our company programs such as health, wellness, and retirement benefits. I am starting to look at outside services that offer “well-being” programs that will help people more effectively integrate their work and personal lives. I am also exploring recognition programs based on social platforms that will make recognition more meaningful and relevant. These kinds of recognition programs use gamification principles that enable team members to rack up points, earn badges, compete with others, and share their results with friends, family, and colleagues. I think these kinds of tools offer great potential for engaging the entire workforce, not just the youngest generation.
I have a hard time with labels like millennial, gen-X, and baby boomer, and I prefer not to give these labels to groups of people. Labels create perceptions and perceptions create reality.

The people coming into the workforce now are hyper-connected to each other. Their networking ability is high, and their need for face time is low. It seems like the newer generations are always five steps ahead in terms of networks and avenues through which they can achieve what they’re looking for. They have incredible amounts of information at their fingertips and while the answer they find might not always be the right one, they are always ready to dive in for more facts. They crowd-source problems across the information highway and engage in group work in a way that is very different than the traditional mode of whiteboards, meetings, and an office full of people.

Accordingly, we have adapted our recruiting methods to include more social media and online job boards. A large component of recruiting for the petrotech roles is still done on college campuses. For experienced hires, we use LinkedIn as well as other online industry-related job boards and sites. Online access to candidates has increased dramatically over time as both candidates and companies have become more successful at identifying great candidates at all levels of experience through online sources.

Our company requires employees with expertise in petroleum engineering, geology, geophysics, and land. These are very specific disciplines and we choose schools that are nationally recognized for developing excellent students. We also choose schools based on geographic location. For example, we have learned that a preponderance of students who attend schools in the midwest or west prefer to stay in that part of the country after graduation. Since we do not have operating assets in those regions, we do not target schools in those regions for recruiting.

We also ask high-performing employees within our company who are alumni of certain schools to help us find candidates. We’ve narrowed down a list of schools that we prefer for selecting candidates. Over the years we have developed deep relationships with department heads and professors in the relevant disciplines in those schools. We do college campus recruiting every year for new hires and especially interns. Our internship program is very strong and currently over 80 percent of our permanent full-time hires come from those internship positions.

Several of our managers asked for training on working with different generations. We brought the groups together and opened up discussions and dialogue about the way in which each generation is viewed. I was surprised to learn that the
younger generation was tired of being labeled. They disliked the stereotype that they’re all opinionated, have overly high expectations, and expect to receive a prize for everything. We ended up having a very rich dialogue that allowed us to realize that it’s not just about what generation employees belong to, it’s more about the fact that individuals have different experiences and perspectives about how to get things done, especially at work. We had actually been looking at implementing a generational training program, but found that there was a great deal of resistance among our workforce to having such a focus on labels. Instead, our employees preferred to open up more conversation about the realities of different approaches to the way people work.

**Our Winning Formula: Embracing Company Values**

Our company culture is anchored in strong values. The most important aspect is having the Right People doing the Right Things, which is our winning Formula. We operate as one team and are very results-oriented. We are committed to community stewardship, both in respect to our internal community and the external communities in which we operate. We’re in the exploration and production industry, and that means potentially working directly on someone else’s land. Our people are encouraged to treat that land as if it were their own and leave it better than they found it.

Innovation and creativity are also very important to us. We want smart, bright people who are respectful of the environment and of others. We have a drive to win, as long as it is done in the right way and based on our values of great stewardship of our people, our communities, and our investments. Our goal is to always to do better than the year before in all aspects and ultimately drive more shareholder value.

**The Year Ahead**

During the next 12 months, we plan on adjusting our HR strategies to meet the needs of a new generation of workers by changing the way in which we communicate and deliver solutions to the teams. Knowing your audience doesn’t necessarily mean knowing what generation they belong to and categorizing them accordingly, rather it means knowing what a particular group of people needs and how best to deliver the solution for the highest impact. We have had the most success in tailoring the delivery method both to the need and to the group. For example, if they prefer e-mail, then we use that. If they prefer a sit-down training program, then we will offer that. We’ll hold lunch and learns for groups of people to share information in a more informal way.
Ideas to Build Upon & Action Points

I. What Are Some Characteristic Features of “Millennials”?
First of all, it's important not to assume every employee who falls into the millennial age demographic will display the same set of traits. In addition to the tremendous individual variation you see in every age group, employee behaviors will vary across industries and education levels. Speaking in the most general terms, however, some of the authors have perceived that this generation is somewhat unique in how they view work and life. Millennials tend to value:

- Achieving a good quality of life, which means a healthy work–life balance
- Working flexible hours, and mixing work with personal activities throughout the day and evening — both at home and in the office
- Collaborating with their groups/teams in interactive environments
- Providing new ideas for solving problems and performing established roles
- Leveraging technology to network with colleagues and access information
- Developing open, transparent relationships with their managers and colleagues and access information
- Taking real action on job dissatisfaction by changing jobs, changing careers, or starting their own businesses

II. The Bottom Line
Depending on how they’re managed, millennials can exert a large positive or negative impact on your company’s profitability. While they can save your company money through creative problem solving and the promotion of efficiencies, they can also cost you in turnover if your retention strategies prove to be ineffective. However, to accurately measure the ROI for recruiting and managing millennials, you will need data and benchmarks so you can spot trends year over year. Sources of this data include:

- Employee satisfaction surveys
- Responses and reactions during town hall meetings
- Turnover rates that are stratified by age group and individual managers
- Performance reviews and other industry-specific performance metrics

III. Must-Have Practices and Programs for Developing Millennials
Rather than focusing on the trappings of success, millennials tend to be interested in career development because they want to learn and experience new things. Consequently, they expect their organization's processes and systems to help them produce, engage, and grow. They also want programs that are geared to their learning style, which may include group learning or individual online opportunities. Initiatives that have worked at the authors’ companies include:

- Lunch and learns
- Mentoring programs that pair younger with more tenured employees
- Centers of excellence that offer a mix of traditional print and online learning resources with interactive practice opportunities
- Internship programs for specific disciplines, such as accounting, finance, marketing, and HR

IV. The Golden Rules for Reaching and Recruiting Millennials
Depending on your industry, campus recruiting may still be successful with some millennial groups. However, you can forget about relying traditional job boards or newspaper ads. Instead, plan to attract your next millennial-era employees by:

- Asking current employees to refer friends and associates (and incenting them to do so)
- Posting job descriptions on the company’s social media site(s) that also describe career development opportunities associated with the open position(s)
- Tweeting information about the open position(s), and ensuring other tweets express your company’s positive features, activities, and accomplishments

V. Essential Take-Aways
You simply cannot have a workforce without millennials. That's why it is incumbent upon HR to work with the executive leadership team to understand and support the impact they are having on your organization. While their attitudes and practices may clash with those of the baby boomers and gen-Xers in your midst, you may find it most productive to view this challenge from the perspective that you need to discover how to best motivate and manage this particular group of employees, and not focus unduly on their age. Strategies that have proven effective at the authors’ companies include:

- Provide an empathetic work environment that is characterized by more collaborative and personalized — rather than top-down and formal — manager-employee relationships.
- Partner with leadership to develop more robust communication plans associated with company strategy, ongoing performance, and organizational changes.
- When possible and appropriate, offer flexible benefits packages and work arrangements, including rotating shifts and telecommuting options.
- Revise vacation policies to provide maximal latitude regarding how and when time off can be taken.
- Offer frequent recognition programs and rewards for accomplishments, perhaps using gamification principles.
- Regularly inform employees on their progress and available advancement opportunities.
- Promote intergenerational, complementary teamwork by pairing individuals of different ages together on projects.
- Check in frequently; ask how they are doing, what they want, and whether assignments make sense.
- Focus on the contributions that employees make to the organization, not their age or other demographic characteristics.
10 Key Questions and Discussion Points

1. What is the current generational breakdown of your workforce? How has that changed over the past three years? What percentage of your workforce is made up of baby boomers? What percentage is gen X? What percentage of your workers is part of the millennial generation?

2. How would you characterize the work habits of millennials? How do their habits differ from those of previous generations? Do millennials tend to be more solitary in their work, or more group-oriented than previous generations? Do you find that they are more opinionated or likely to speak their mind?

3. How do the expectations of millennials differ from previous generations? Do they expect more independence or more hand-holding than previous generations? Do they expect greater flexibility in terms of work schedule and location? Do millennials expect to move through the ranks or into different positions more quickly than older workers?

4. How would you characterize your company’s culture at present? How has it changed over the last few years? Has the presence of millennials in the workforce contributed to these changes? How can you adjust company culture to appeal to younger workers without alienating older workers? Has this been a challenge for your company?

5. Have you experienced cultural tension within your company due to different work habits and/or expectations between different generations of employees? What types of issues tend to cause tension? How has this tension been expressed? What are your best practices for handling these types of clashes?

6. How do you work with managers to ensure they are prepared to deal with different generations of workers? What type of training is involved? hat strategies have proven most successful? What generations do most of your managers belong to? How do you expect this to change over the coming years?

7. How do your turnover rates for millennials compare to those for older workers? What factors drive differences? How do employee engagement rates for millennials compare to those of older workers? To what extent have you been able to ascertain the reasons behind differences?

8. What communications methods do millennials prefer? For corporate communications? For communicating while working on projects? What communications methods do your older workers prefer? How do you strike a balance between the preferences of different generations?

9. Do you have any formal or informal mentoring programs in which newer/younger employees are paired with more senior employees? How were these programs developed? What can millennials learn from being paired with a more senior employee? What can the more senior employee gain from the partnership?

10. What are your best practices for recruiting millennials? What success have you had with online recruiting via job boards? Online recruiting via your company website? Recruiting via social media? On-campus recruiting? To what extent do you use internships to screen potential employees? What other recruiting strategies have led to success with this generation?

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