



Top 10 Tips for Attracting and Engaging the 21st Century Workforce

How to make your company attractive to high-potential early career talent

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The face of today's workplace is changing — fast. Two things are radically changing the age profile of the workforce: First, birth rates between 1965 and 1985, commonly called Generation X, were much smaller than the birth rates for the Baby Boomers who preceded them and the Millennials who followed Gen Xers.

In addition, the average life expectancy of people born in the U.S. continues to rise, so workers may fall into vastly different age ranges, and the demographics at many companies now span five generations — for the first time in modern history. That, however, won't last long: Millennials are projected to make up a whopping 75% of the global workforce by 2025.¹

Millennials, Baby Boomers and Gen Xers are not entirely different. As a whole, they have many of the same wants and needs as workers of every generation, including competitive compensation, merit-based rewards, and supplemental training. But Millennials have grown up in a much different labor market from previous generations and tend to have big demands and high expectations regarding their careers.

They want to work for organizations that “foster innovative thinking, develop their skills, and make a positive contribution to society,” according to the January 2014 *Deloitte Millennial* survey.² Millennials expect to quickly advance to different roles or move on if their current company doesn't provide the growth opportunities they want, so job tenure also tends to be shorter than that of Baby Boomers and Gen Xers. For instance, 91% of Millennials expect to stay in a job for less than three years, according to the *Future Workplace Multiple Generations @ Work* survey.³

¹ Deloitte, Big Demands and High Expectations: The Deloitte Millennial Survey, January 2014

² Deloitte, January 2014

³ Future Workplace, Multiple Generations at Work, 2012



Only 30% of executives said they are giving special attention to this generation's wants and needs, even though 51% of executives say Millennials have a significant impact on workforce strategy.

As organizations deal with demographic shifts, they must also embrace how technology has transformed the workplace. Digital technologies have changed the nature of collaboration, expertise sharing, and the skills one needs to succeed — as well as how workers search for and find jobs. Today, people are online 24/7 and relentlessly flooded with information, messages, and communications. Technology has also increased the demand for highly skilled workers who know how to use, maintain, and develop an ever-evolving set of tools.

Challenges with attracting and engaging Millennials

Handling the workforce of the future is essential to any organization's bottom-line success. But companies haven't appropriately planned to tackle the challenges of the coming Millennial surge, according to SuccessFactors' *Workforce 2020* survey with Oxford Economics.⁴ Only 30% of executives said they are giving special attention to this generation's wants and needs, even though 51% of executives say Millennials have a significant impact on workforce strategy.⁵

A vast majority of business and HR leaders (79%) know they have a significant retention and engagement problem — over a quarter, in fact, see it as urgent.⁶ But they have yet to move beyond Millennial stereotypes, assumptions, and generalizations — everything from a presumed poor work ethic to an assumed lack of respect for authority — to fully invest in the best ways to attract and retain Millennials.

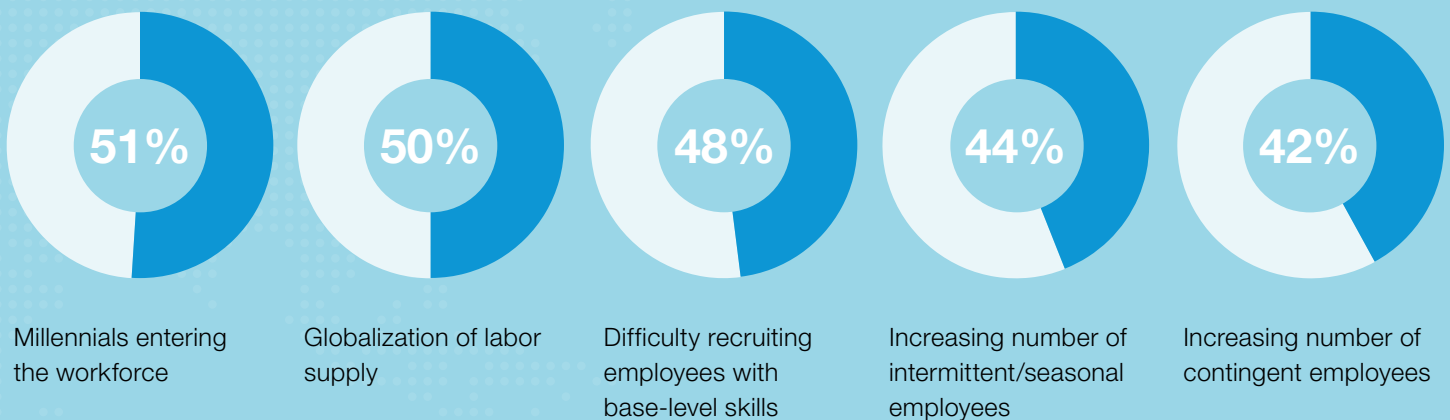
⁴ Oxford Economics/SAP, *Workforce 2020 Survey*, September 2014

⁵ Oxford Economics, September 2014

⁶ Oxford Economics, September 2014

Labor shifts executives are most concerned about

SME's top 5 labor market shifts affecting workforce strategy:



Millennials in the U.S. want more than simply higher compensation or bonuses. Instead, they're seeking opportunities related to personal development and learning.

– Karie Willyerd,
Workplace Futurist,
SuccessFactors

Here, we offer 10 tips to make your company attractive to high-potential early career talent, so you can attract and engage the 21st century workforce:

10 Tips to attract and retain Millennials

1 Have a development strategy.

Millennials in the U.S. want more than simply higher compensation or bonuses. Instead, they're seeking opportunities related to personal development and learning, said Karie Willyerd, Workplace Futurist at SuccessFactors, an SAP company, and co-author of *The 2020 Workplace: How Innovative Companies Attract, Develop, and Keep Tomorrow's Employees Today*.

"That's the real value proposition for today's companies," she said, adding that organizations can create a strategy that hones in on development for a specific group, such as SAP's Sales Academy, which provides on-the-job experience and sales training for several hundred recent graduates in a two-year program.

Millennials don't desire development out of a sense of entitlement. "They know that in today's workplace the only way they can have a sustainable career is to develop and grow along the way," Willyerd said.

Millennials have grown up in a world of layoffs and constant organizational change, so most of them have no illusions or expectations about job security with one company, said Steve Hunt, Vice President of Customer Value at SuccessFactors and author of the white paper *Common Sense Talent Management*. "What they are seeking are jobs that give them a sense of employment security," he said. "That is, jobs where they can build marketable skills that will ensure their ability to find future work in case they leave their current position, whether voluntarily or due to another round of corporate downsizing."

2 Build a compelling company brand.

To become the employer of choice among high-potential early career talent, organizations must define and build a compelling company brand, said Kevin Francis, America's Early Talent Recruiting Leader at SAP. "It's about grabbing mindshare and creating some sizzle," he explained. "Why would someone want to join your organization?"

On the other hand, companies can't be everything to everyone, so they should identify what makes them stand out, and be strategic and focused about reaching their target demographic. "For example, SAP defines itself as very collaborative and values-based, which isn't for everyone," he said.



The SuccessFactors *Workplace 2020* study with Oxford Economics found that two-thirds of Millennials say they would like informal feedback from their managers at least monthly.

3 Make mentoring and coaching a priority.

The SuccessFactors *Workforce 2020* study with Oxford Economics found that for previous generations, classroom options have typically been the preferred way to learn. But Millennials are more likely to want mentoring and coaching to help them develop their skills for the future, navigate a career path, and to learn about everything from leadership to technical skills. However, less than half of companies say they offer mentoring programs.⁷

The key, Willyerd explained, is to come up with non-traditional mentoring options that fit the mobile, collaborative Millennial lifestyle and go beyond one-on-one, long-term relationships, such as short-term mentoring, group mentoring, peer-to-peer mentoring, and even anonymous mentoring.

4 Offer frequent feedback.

Many Millennials were raised with highly involved parents and as “trophy kids” who received praise just for participating in activities or completing tasks. So, it makes sense that in the workplace they want more frequent feedback than employees from previous generations. The SuccessFactors’ *Workplace 2020* study with Oxford Economics found that two-thirds of Millennials said they would like informal feedback from their managers at least monthly.⁸

This is something that Oakley, a leading sunglasses and accessories company, handles very well, according to Willyerd. “Every quarter, they send around an employee survey that asks one simple question: ‘Have you had a meaningful discussion about your performance and development in the last 90 days?’” she said.

5 Treat the workforce as dynamic.

Today’s workers don’t expect to be in the same job five years from now. And you shouldn’t expect it either. “The enemy is not turnover,” said Hunt. “It is unplanned, unmanaged turnover that is bad.”

So, set up an expectation that you embrace transition and a career path that may not be vertical or linear. “You want to make Millennials aware of the opportunities that do and will exist,” said Hunt. “As the company grows, you can make it clear you want to grow together. This starts by assuming that whatever job someone is doing now, they are very likely to be doing a different job in four years. Even if they are in the same job, their job role is going to change significantly over time — so accept and embrace the pace of change in the workplace, don’t ignore it or pretend it doesn’t exist.”

6 Don’t tolerate bad management.

Millennials may have a reputation for short job tenure, but in general, people prefer not to change companies and jobs, explained Hunt. “It’s disruptive, but Millennials still won’t tolerate a bad situation if they don’t have to,” he said.

Effective management can have a big impact on attracting and retaining these young employees: “It’s about doing the fundamentals of management really well, including training them to set clear goals and provide good feedback,” Hunt said, adding that companies should recognize managers well for their efforts. “You should reward them for attracting and promoting talent,” he emphasized. “It is surprising to find that many companies actually punish managers who promote people out of their teams by making it hard for them to backfill the person’s position.”

⁷ Oxford Economics, September 2014

⁸ Oxford Economics, September 2014

Millennials are the first generation to grow up with digital technologies, such as Web and email, from birth. In turn, they expect the companies they work for to be up to speed on the latest technologies, whether it is video conferencing, instant messaging, or internal social collaboration.

7 Make flexibility a strategic priority.

Millennials expect work and life to blend together in today's 24/7 world. That means the traditional 9 to 5 job doesn't make sense to most of today's high-performing early career talent. Not surprisingly, one of the top Millennial "wants" is for employers to accommodate flexible schedules.

Cisco's 2014 *Connected World Technology* report found that 66% of U.S. Millennials felt an organization with a flexible, mobile, and remote work model has a "competitive advantage" over one that requires employees to be in the office every day from 9 to 5.⁹

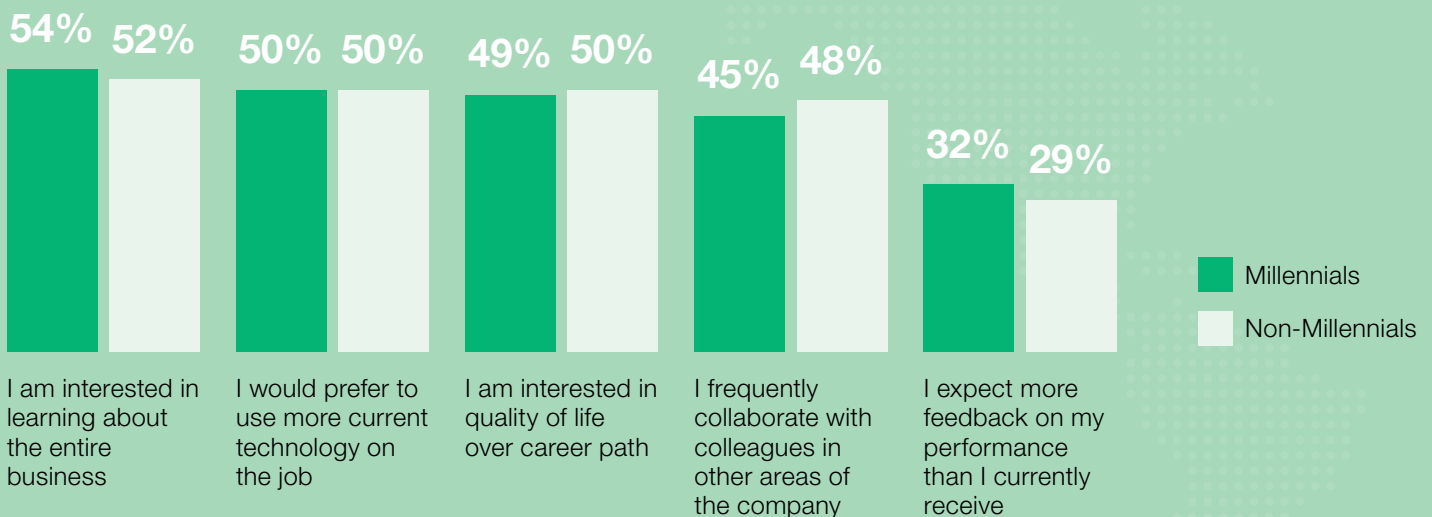
8 Use technology to increase visibility.

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Companies should also leverage technology to increase visibility into company opportunities, offering transparency about how to build a career within the organization. Social media, automated emails, and mobile alerts are all ways to target and attract candidates, both internally and externally. "Too many companies still rely on old-fashioned ways to find candidates and post positions," said Willyerd.

⁹ Cisco, 2014 *Connected World Technology Report*

Millennials and non-Millennials show few significant differences in key areas



9 Recognize what high-performing Millennials want.

Companies that think they can reel in high-performing early career talent with free food and Friday happy hour are missing the boat, Hunt said. “Professional, high-achieving, skilled Millennials aren’t just looking for perks,” he explained. “They want to get to do cool projects, get the resources they need, and be recognized and rewarded for their efforts.”

The SuccessFactors’ *Workforce 2020* research found that what these Millennials really want is a quicker path to improvement — through learning, training, and challenging work assignments. “They know they are responsible for their own career,” said Willyerd.

10 Go beyond the Millennial stereotypes.

“There are a lot of misperceptions out there about Millennials,” said Willyerd. “A word that gets used a lot is ‘entitled,’ but that’s a misunderstanding — from a sociological perspective, this is a generation that was impacted significantly by layoffs and downsizing. They enter the workforce knowing there is no loyalty contract.”

In fact, many generalizations about Millennials — as altruistic do-gooders or spoiled whiners, for example — are typically not true or only partially true. Other stereotypes may be applied across generations. For example, the *Workforce 2020* study found that achieving work/life balance is nearly equally important to Millennials than to non-Millennials — and so is meeting income goals. And employees of all ages want fairness and opportunity.

Create an environment where Millennials can thrive

No matter how companies choose to attract and engage high-potential early career talent, experts agree that it’s important to deal with these issues now. After all, every day in the U.S. 10,000 Baby Boomers turn 65 — a trend destined to continue through 2030.

There are simply not enough Gen X workers to replace those Baby Boomers, so with this talent vacuum, Millennials will need to take on bigger roles earlier. That means companies must be prepared to both hire and develop that talent — especially in terms of providing leadership training — which Francis said Millennials are sorely lacking.

“Companies must create an environment where Millennials can thrive,” he explained. “I’ve seen Millennials who I thought were rock stars leave companies that were not able to provide that, which is just unfortunate.”



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