Millennials: How to Attract & Retain

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Who I Am?

• HR leader for CGB Enterprises, a 2,500 employee privately-owned agricultural-based holding company headquartered in Mandeville, LA

• Prior experience with ConAgra Foods & International Paper

• Education: BA & MA (psychology) & MBA (operations management)

Where I Work?

• CGB Enterprises is a company that has experienced significant growth over the past 5 years.

• Opportunity: Build a contemporary HR practice that would support continued growth & evolution of company as an employer of choice.

• Challenge: How to improve our ability to attract, onboard, develop, & retain talent (including Millennials)
Agenda

• Why are We Talking About Millennials?
  o They are a very critical workforce demographic.
  o Success with Millennial Recruiting/Retention = Success with Recruiting/Retention
  o At CGB Enterprises, we’ve found ways to improve our ability to attract & retain this talent.

• What Do We Know About Millennials & Work?
  o There is much that has been written about generational differences.
  o Some of it is fact. Much of it is fiction.
  o To do something impactful, we must be fact-based in our approach.

• What Do We Do to Better Attract & Retain Millennials?
  o Recognize the opportunity
  o Exploit the opportunity
  o Set your organization up for success – now & in the future.
Why Are We Talking About Millennial Retention?
Personal Anecdote

- Undergraduate & graduate experience (Toffler’s “Future Shock”)
- Experience in 1985-1996 as licensed clinical counselor.
- HR experience as both HR generalist & workforce analytics practitioner.
- Current context:
  - Significant growth over the past five years.
  - Amping up of recruiting, but struggled with retaining.
  - Challenge: figure it out & fix it.
Fact: For the purpose of definition, Millennial employees are born between 1981-2001.

Fact: For the first time in history, there are 4 different generations in the workplace.

Fact: During the next 10 years, 80% of working Baby Boomers will leave the workforce.
What Do We Know About Millennials?

Millennial Starter Pack

There are eight ways of contacting me through my phone that don’t involve me having to talk to you. Use one of those.
What Do We Know About Millennials?
Names: “Generation Y”, “Gen Next”, “Least understood generation”
Teen Years: 2000s through 2010s
Key Themes:
• Heavy parental involvement
• Fear of low self-esteem – they are highly confident. Parents communicated via dialogue (vs. dictation). They were raised to not keep score.
• The consumer age: can be interpreted as “entitlement”. Want to both make money & make a difference.
• September 11 (9/11): Affected delay of gratification & volunteerism.
• Technology everywhere: provides sense of importance, freedom, shrinking distance & expanding horizons, and formation of “tribes”.
• Emerging adulthood: “Twenty-something”
Why Did We – at CGB - Begin Talking About Millennials?

- More than 1/3 of employees are Millennials
- Millennials as a % of Population are Growing Significantly
- Our % of Millennial managers is growing each year
Why Did We Begin Talking About Millennials?

Almost 50% of Our Permanent Hires Have Been Millennials

Voluntary Turnover Has Been Highest With Millennial Employees

• Sparked the beginning of a dialogue among senior leaders.
• Paved the way for us to begin looking at the overall candidate & employee experience – not just for Millennials, but all employees.
• Triggered significant work – in Talent, Learning, Compensation, Benefits, to name a few – as we began to connect the dots.
What Do We Know About Millennials & Work?
Life Cycle Changes

• No distinct differences across generations.
• Differentiation – if any – is due to age group, not “Generation” per se
• May stratify or segment employee groups for analysis, but don’t ascribe to a theory re: differences.

Generational Differences

• Generational influences are a significant factor in a person’s personality & development.
• Differentiation may be due to other factors.
• Seek to truly differentiate populations & interventions, focusing on subsets of population.
The Malignant Myth of the Millennial

• Imprecise Definitions
• Generational Stereotypes
• Lazy Thinking
• From Data to Assumptions
• The Rise of the Consultants
• Legal Considerations

“"I don’t think generations exist," said Vaidhyanathan. "They are at best the equivalent of astrology and at worst a source of bigotry. Most of the references to generations that we see are based on muddy categories created by marketers who have zero social science credibility."
Credibility of Information About Millennials

• Much has been made of the differences attributed to Millennials.
• However, much of this information isn’t – simply because it’s written & published – credible.
• When you see a provocative headline, you should:
  • Check the credentials of the writer.
  • Read the article, scanning for research-based findings.
  • Remember, not everything you read on the Internet is true.
ARTICLE: “4 Amazing Job Perks to Attract & Retain Millennials”

SOURCE: Michalowicz, Michael, Small Business Trends, June 14, 2017

1. Shared values – does employer reflect their ethical standards?
2. Flexibility – to what degree do they accommodate flexible schedules, telecommuting, etc.?
3. Coworker Connection – in what ways do you foster a sense of community?
4. Cold Hard Cash – how does your benefits programs & compensation practices align to their needs?

NOTE: Author is an entrepreneur with no background of research in this area. Comments are anecdotal with no supporting research referenced.
ARTICLE: “Office perks are nice, but here’s what new college grads really want”

SOURCE: Holly, Robert, Chicago Tribune, June 19, 2017

Big Takeaway: Robust work culture (along with compensation) was among the top two things considered when picking a company.

Majority said personal growth was their #1 priority when committing to a specific position.

It’s not about “cool” perks, but rather working in a healthy environment with clear lines of communications & strong collaboration across levels within the organization.

NOTE: Author is a free lance writer with no background of research in this area. However, research (from LaSalle Network) was comprised of surveying more than 6,000 recent graduates in North America, with a large portion from the Midwestern United States.
ARTICLE: “How to Cure Millennials of Career Impatience”

SOURCE: Jenkins, Ryan, Inc. Magazine (online), July 6, 2017

• Millennials held an average of 7.2 jobs from age 18 to 28.

2016 Gallup Report (Gallup Business Journal, May 12, 2016):
• 21% of Millennials say they’ve changed jobs within the past year (3x the number of non-Millennials)

What You Should Do:
• Mine the Motivation
• Commit to Coaching
• Connect with Contribution
• Motivate with Movement
• Develop for Departure

NOTE: Author is keynote speaker, specializing in Millennial issues. For the most part, he relies on anecdotes to justify his “insights” (vs. empirical data).
ARTICLE: “'Psychologically scarred’ millennials are killing dozens of industries – and it’s their parents’ fault”

SOURCE: Taylor, Kate, Business Insider, June 5, 2017

Millennials are threatening dozens of industries:
• They don’t buy napkins. They won’t play golf. They aren’t buying homes or cars.

While this is true on some level, millennials had no say in creating the environment that has restricted their income & shaped their perspective.
• Example: Recession & resulting financial distress.

70% of graduates owe an average of more than $30,000 (Institute for College Access & Success).

NOTE: Author is retail reporter for Business Insider. Statistics cited in body of article include references of source(s).
ARTICLE: “How Millennials Want to Work & Live”

SOURCE: Gallup Organization, 2016

Other Findings:
1. Most wired generation.
2. Least likely to say religion is important to them.
3. Most likely to identify as politically independent or moderate.
4. Lowest level of customer engagement.
5. Spending lags behind 2008 levels.

NOTE: Article has numerous references to support points with context to explain findings. However, “meta analysis” process can yield questionable findings.
ARTICLE: “8 myths and 5 truths about millennials”


**Myths:**

1. We all want to be entrepreneurs.
2. We dislike wedding bells & baby carriages.
3. We’re party people.
4. We like buying stuff.
5. We don’t want to own a home.
6. We’re all slackers.
7. We’re addicted to social media.
8. We are socialists.

**Truths:**

1. We save money.
2. We don’t trust others.
3. We really do lack basic life skills.
4. We feel conflicted about free speech.
5. We don’t like your holidays.

NOTE: Article has numerous references to support points with context to explain findings.
ARTICLE: “This chart reveals the huge difference in how millennials & their parents spend money”
SOURCE: Rapier, Graham, Business Insider, July 19, 2017

CONSUMER SPENDING BY GENERATION

NOTE: Author is an editorial intern at Business Insider. However, source of data is Bank of America Merrill Lynch.

ARTICLE: “Millennials Choose to Spend Money on Travel, Dining, & Fitness Than Save for Retirement”
SOURCE: Durden, Tyler, Zerohedgefund.com, May 28, 2017

NOTE: Author’s background is unknown. Source of data is analysis conducted by Merrill Lynch (Merrill Edge).
So, what do we know about Millennials?

• What we know…
  o They have fewer attachments to traditional political and religious institutions.
  o They are more burdened by financial hardships than previous generations, but are optimistic about the future.
  o They are – more frequently – single than married.
  o They are the most racially diverse generation in American history.
  o They are less trusting of others than older Americans are.
  o Few believe that Social Security will provide them with full benefits, but most oppose cutting current benefits.

Drake, Bruce, “6 New Findings about Millennials”, Pew Research Center, March 7, 2014
What Can We Do to Attract & Retain Millennials?
Focus – Applicant/Candidate/Employee Experience

Experience is Critical
• Successful companies target key demographics.
• They seek to create a welcoming experience – for the applicant, candidate, and employee.
• They seek to provide those things most important engage & retain the best employees.

Improvements in this area will affect – positively – all other “generations” or other demographics.
What do we do about Millennials? Check Your EVP

• Issues with attraction & retention of any group is generally related to misalignment in your “employee value proposition” or EVP.

• Organizations seeking to attract groups such as Millennials must have an EVP that is valued by that group.

• Organization use “employee value analysis” to determine the accuracy & power of their EVP.

The articulation of what makes an organization unique as an employer

The basis on which people should join, or stay with, an organization

Based on authentic employee insight about an organization’s employment offer

Provides an anchor for external & internal employee messaging
1. Educate & sophisticate our stakeholders.
   • What are we doing, why are we doing it, how will it be used?
2. Measure it – establish a baseline for future assessment
   • Headcount, Hire rates, Turnover
   • Look at age, tenure, generations, jobs, etc.
3. Build & Bring Forward the Business Case
   • Meaningful metrics, credibly applied
4. Analyze reasons why Millennials leave
   • Multi-rater exit survey
5. Supplement findings with additional lifecycle measures
#1 – Educate & Sophisticate Stakeholders

• Help key stakeholders understand “why” & “how” of effort.
• Enable them to appreciate the magnitude of the opportunity & the potential benefits to their businesses.
• Recognize that we won’t get there in a matter of weeks or months; this is an on-going process to move from ineffective to effective.
• Engage them in the process. Help them see how these trends affect their businesses & what they can do to have a positive impact.
• Share with them the findings of our work.
#2 - Measure It - Establishing a Baseline

- Baseline is critical to establishing the business case & defining path forward.
- Objective is to determine how you are doing...in terms of:
  - Attracting
  - Hiring
  - Onboarding
  - Developing
  - Engaging
  - Retaining

Sources Can Include:
- Applicant Tracking System
- Learning Management System
- Employee Surveys
- Third Party Data (Glassdoor.com)
#3 - Define & Refine Your Employee Value Proposition

- This involves both “art” & “science”.
- Your objective: To define – for applicants, candidates, & employees – who you are as a company & be able to articulate that through your talent processes.
- Elements include:
  - People & Leadership
  - Organization & Culture
  - Rewards & Recognition
  - Work & Environment
  - Development & Opportunity
- For many, it includes both “reality” & “reasonable aspirations”
#4 - Analyze the Employee (Millennial) Experience

**Employee Life Cycle Survey Process**

- PRE-HIRE: (APPLICANT), CANDIDATE(S)
- EMPLOYEE: 30 & 90 DAY EMPLOYEE, 90 DAY LEADER
- POST-HIRE: (CENSUS), MULTI-RATER EXIT

(PRE-HIRE) -> EMPLOYEE -> POST-HIRE
## From Our Exit Survey, We Looked at the Most Significant Reasons Employees Report Leaving

<table>
<thead>
<tr>
<th>Ranking (Most Significant)</th>
<th>Salaried – Millennial (n=54)</th>
<th>Salaried – Non-Millennial (n=48)</th>
<th>Hourly – Millennial (n=83)</th>
<th>Hourly Non-Millennial (n=38)</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Personal Reasons</td>
<td><em>Lack of Career Advancement</em></td>
<td>Pay Not Competitive</td>
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</tr>
<tr>
<td>2</td>
<td><em>Lack of Career Advancement</em></td>
<td><em>Disagreed with Company Strategy</em></td>
<td>Personal Reasons</td>
<td>Personal Reasons</td>
</tr>
<tr>
<td>3</td>
<td>Pay Not Competitive</td>
<td>Personal Reasons</td>
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</tr>
<tr>
<td>4</td>
<td>Workload, Work Hours, or Schedule</td>
<td>Felt Unrecognized or Unappreciated</td>
<td>Felt Unrecognized or Unappreciated</td>
<td>Poor Relationship with Manager</td>
</tr>
<tr>
<td>5</td>
<td>Felt Unrecognized or Unappreciated</td>
<td>Culture/Structure Not a Good Fit</td>
<td><em>Dissatisfaction with Work Environment</em></td>
<td><em>Disagreed with Company Strategy</em></td>
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From Our Exit Survey, We Looked at the Least Significant Reasons Employees Report Leaving

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<td>Benefits Not Competitive</td>
<td>Poor Relationship with Manager</td>
<td>Dissatisfaction with Assigned Location</td>
</tr>
<tr>
<td>3</td>
<td>Dissatisfaction with Work Environment</td>
<td>Poor Relationship with Manager</td>
<td>Role was Not a Good Fit</td>
<td>Felt Unrecognized or Unappreciated</td>
</tr>
<tr>
<td>4</td>
<td>Poor Relationship with Manager</td>
<td>Dissatisfaction with Assigned Location</td>
<td>Disagreed with Company Strategy</td>
<td>Dissatisfaction with Work Environment</td>
</tr>
<tr>
<td>5</td>
<td>Moral or Ethical Reasons</td>
<td>Pursuing Different Career/Industry</td>
<td>Moral or Ethical Reasons</td>
<td>Workload, Work Hours, or Schedule</td>
</tr>
</tbody>
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## How We’ve Begun to Address Our Millennial Opportunity

<table>
<thead>
<tr>
<th>EXIT SURVEY ITEMS – TOP OVERALL</th>
<th>OWNER</th>
<th>INTERVENTION(S)</th>
<th>ENABLER(S)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Reasons</td>
<td>HR/LEADER</td>
<td>IMPROVED SCREENING &amp; SELECTION; DEVELOPMENT PLANNING</td>
<td>BUSINESS-OBSESSED LEARNING ORGANIZATION</td>
</tr>
<tr>
<td>Lack of Career Advancement</td>
<td>HR/BUSINESS</td>
<td>CAREER PATHWAYS; TALENT REVIEWS; SUCCESSION PLANNING; TARGETED SKILLS-BASED TRAINING</td>
<td></td>
</tr>
<tr>
<td>Pay Not Competitive</td>
<td>HR/LEADER</td>
<td>BENCHMARKING; COMPENSATION INFRASTRUCTURE; MANAGER TRAINING; TRANSPARENCY</td>
<td>GROWING TALENT/BUSINESS PARTNERSHIP</td>
</tr>
<tr>
<td>Felt Unrecognized or Unappreciated; Poor Relationship with Manager</td>
<td>LEADER/HR</td>
<td>COACHING SKILLS DEVELOPMENT</td>
<td>BUSINESS OPEN TO LOOK AT EVP</td>
</tr>
<tr>
<td>Workload, Work Hours, or Schedule; Dissatisfaction with Work Environment</td>
<td>LEADER/HR</td>
<td>REALISTIC JOB PREVIEWS; FLEXIBLE SCHEDULES &amp; TELECOMMUTING; SUCCESSION PLANNING</td>
<td>MOBILE TECHNOLOGIES</td>
</tr>
</tbody>
</table>
What Has Been the Impact of Our Interventions?

Survey Ratings – Glassdoor.com – Year-over-Year Change (June 2016-May 2017)

- Year-over-year improvements in all areas evaluated.
- Relative to competitors, significantly improved with both former & current employee/raters.
What Has Been the Impact of Our Interventions?

As a result, we’ve been able to:

- Expand the scope of our life cycle surveying.
- Implement preliminary findings to improve recruiting, onboarding, development, engagement, & retention of talent.
- Longer-term, begin to analyze EVA outcomes to identify opportunities to improve EVP, specifically for Millennials.

1. We’ve seen significant reductions in turnover in two groups – Millennials – with the most significant improvements evident with our hourly population.
2. Significant focus – to date – has been on both hiring process & development (in particular with leaders).
How to Attract & Retain Millennial Employees

1. Educate & Sophisticate Yourself Regarding the Issue
2. Establish Your Baseline – Recruiting, Onboarding, Engaging, & Retaining
3. Define & Refine the Employee Value Proposition (EVP)
4. Initiate Interventions to Improve EVP
5. Evaluate the Impact of These Interventions